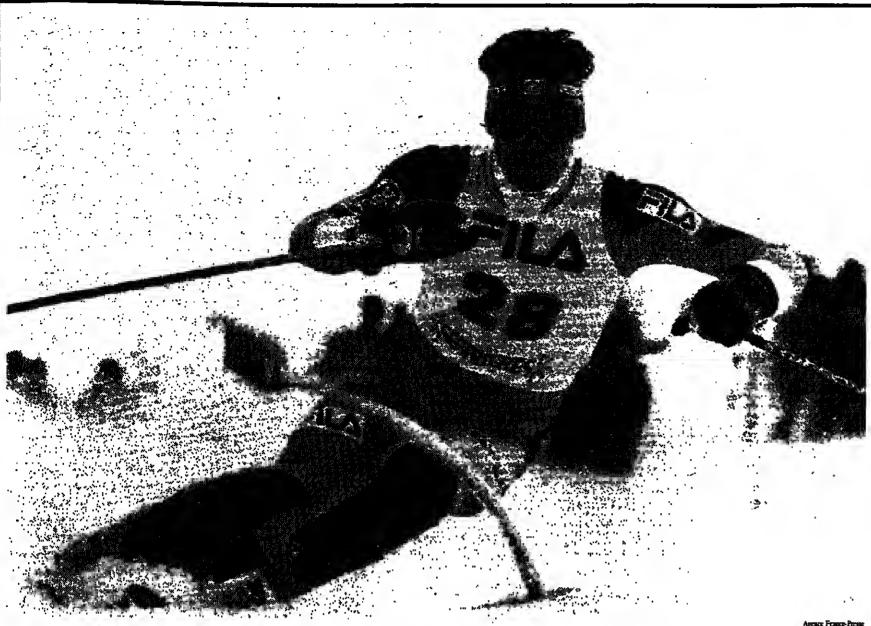
No. 34,138

Published With The New York Times and The Washington Post PARIS, MONDAY, NOVEMBER 30, 1992

ESTABLISHED 1887



Tomba Bombs in Italy as Tescari Triumphs in Season's First Slalom

Fabrizio Tescari of Italy negotiating the slakom course in Sestriere, Italy, on Sunday, the second day of the World Cup skiing season. Tescari was the surprise winner as his compatriot Alberto Tomba fell and two other favorites, Kjetil-Andre Aamodt of Norway and Paul Accola of Switzerland, missed gates. In the season-opening giant slakom, Aamodt edged Tomba by almost half a second, silencing the thousands of fans who had compatriot Alberto Tomba fell and two other favorites, Kjetil-Andre Aamodt of Norway come to cheer on the Italian star, Aamodt, 21, called it his "greatest win ever." Page 27.

As Russia Defies the Economic Dark, Politics Looms

By Steven Erlanger
New York Times Service

MOSCOW — A year ago, reports from herewere full of dark warnings about starvation, destitution, chaos and coups as the Soviet Union Jurched toward its end.

This has not been a wonderful year for the issian economy, as an inexperienced government tries to manage an extraordinary transi-tion to a capitalistic system.

There is more poverty, purchasing power is down, industrial production has dropped to 75 percent of what it was a year ago, inflation is running at 25 percent a month and the ruble is hovering around 450 to the dollar, compared with 135 at the end of June.

But as the nation prepares for a meeting this week of its highest legislative body, which some expect to challenge President Bons N, Yeltsin, Russia is not starving. There is little unemploy-

President Boris N. Veltsin urges his supporters to form a new political movement. Page 2.

ent and more than ade in the stores, some of it still subsidized and

Though the amount of money in people's pockets buys less and consumer spending is down to half of last year's figures, food consumption has remained at levels equivalent to that in the early 1970s.

In the meantime, increasing oumbers of ordipary people, especially younger ones, are learning how to make money in a freer economy and to fend for themselves. The privatization of small enterprises has been increasing every month, and there is a lot of retail trade, especially in the cities.

But such wholesale change of a state-run cally powerful critics, most of whom have privileges to lose, especially among the managers of large state farms and enterprises.

Gathered around a soothing lobbyist, Arkadi Volsky, and a powerful parliamentary faction known as Civic Union, they are pressing the government of Mr. Yeltsin and acting Prime

Minister Yegor T. Gaidar for a slower, more managed transition to the free market.

Civic Union is pushing for further state support for industrial production and conversion, as well as the protection of jobs. It represents the "centrist" opposition to the government in the upcoming session of the Congress of People's Depudes.

Earlier Western warnings that Mr. Gaidar's proposed economic overhaul could be gutted by Civie Union have been toned down. With the Russian government managing to reassert some control over the economy in the last month - reducing the enormous growth of

See RUSSIA, Page 23

Israel Torn On Reply To German Nazi Surge

By Clyde Haberman

New York Times Service
JERUSALEM — In the last few days, this country has balanced the demands of diplomacy against the anguish of its soul in trying to decide how a Jewish state — the Jewish state — should respond to the neo-Nazi surge in Germany.

Politicians on both the left and the right have called for a worldwide Jewish boycott of Germany and for Israel to sever diplomatic relations unless the German government acts more firmly and swiftly than it thus far has to fight racism and

anti-Semiosm.

After debating the matter for three and a half hours on Sunday, the cabinet of Prime Minister Yitzhak Rabin settled on a middle course: It issued a statement sharply condemning the ugliness that has re-emerged in Germany and urging the Bonn government to take action. But it avoided any hint of what, if anything, Israel might do should the xenophobie thuggery continue.

History assigns Israel a special ohligation to speak out, Mr. Rabin later said in

"You must not let things develop from the beginning," he said. "You must crush the head of the snake when it's still small." A government official said, "it's really a very tight rope here, and one should walk it very carefully." After all, be added, Israelis tend to bristle whenever outsiders

lecture them about what they are doing wrong in their treatment of Palestinians in the occupied West Bank and Gaza Strip.

Along a similar line, Tourism Minister Uzi Baram, a Labor Party liberal, emerged from the cabinet meeting saying that Israel had to be caudous about condemning Germany because extremists exist in Israel as well. He cited the Kach Party of the late Meir Kahane, which courts barred from participating in the national election in June because of anti-Arab positions that the judges called racist.

Does be really equate these relatively few Israeli militants with the many German radicals? Mr. Baram was asked.

"From the viewpoint of the depth of support they receive — no," he replied.
"From the viewpoint of the phenomenon

Like many Jews in other countries, Israelis have mixed emotions about Germa-

Some will not go near the place, includocopie who were born in Israel a not lose a single relative in the Nazi Holocaust. For them, buying a Volkswagen is

morally equivalent to blaspbemy.

But obviously not everyone shares their conviction, or else there would not be so

See ISRAEL, Page 6

Kohl Vows To Step Up War Against **Extremists**

Germany's Parties Fail To Resolve Dispute Over How to Limit Refugees

By Marc Fisher
Washington Past Service
BERLIN — Chancellor Helmut Kohl said Sunday that Germany was determined to rid itself of its neo-Nazi cancer even as the country struggles to overcome the economic recession and psychological ills that have befallen it since the 1990 reunification of the two Germanys.

In a radio interview, Mr. Kohl made his strongest statement yet on Germany's resolve to stem the 1,900 anti-foreigner, anti-refugee and anti-Semitic attacks that have left 16 people dead this year.

We must do everything to put the right-wing rabble in their place and hit these culprits with the full force of the law," be said.

But in Bonn, a move by the major political parties to end more than a year of squabbling over how to restrict the entry of refugees into Germany ended in impasse after more than 30 hours of crisis talks.

The German government said Saturday that it was considering stripping extremist leaders of their basic constitutional rights to vote or express their opinions, a move that would broaden Bonn's war against continuing violence by

The Interior Ministry said it may ask the nation's highest court to enforce a constitution-al provision allowing the government to deny basic rights to anyone who "abuses freedom of expression to combat the free democratic basic

German police officers this weekend raided dozens of homes of neo-Nazis, confiscating weapons and propaganda, while the government banned a small extremist group, one of 26 neo-Nazi organizations under federal surveil-

The highly publicized crackdown failed to stop the violence, as neo-Nazis and skinheads attacked eight refugee shelters, and skinheads fought with Turks in at least two cities. A refugee home in the Eastern town of Eberswalde was gutted after extremists threw gasoline canisters into the building, which had been attacked by stone-throwing thugs two months

In the Western town of Rinteln, neo-Nazis burned a restaurant owned by a German and his Vietnamese wife. The restaurant's walls were covered with swastikas. SS symbols and slogans such as "Sieg Heil" and "He who does not run will burn.

In unusually direct language, Mr. Kohl said Germany was plagued by racist violence, eco-nomically troubled and unable to accept the expanded global role that Washington and other allies had envisioned for Bona after the collapse of communism.

"It has to he recognized that we have a worldwide economic recession and that the economie upturn has ended after eight great years," he said. Mr. Kohl called on German

See KOHL, Page 6

European Regulators Alarmed By Rise in Nuclear Smuggling

By Steve Coll Washington Post Service

MUNICH - Investigators looking into a recent rash of European criminal cases involving illicit smuggling and sale of radioactive materials say they have found evidence of thefts from former Soviet and East European nuclear plants, both commercial and military.

While the evidence accumulated so far is fragmentary and the nuclear materials scized from smugglers would be of little immediate use to an aspiring atomic bomb manufacturer, investigators say they are worried about the emerging patterns of illicit nuclear trafficking

Scores of people, mainly East Europeans, have recently been arrested in West European hotel rooms, private homes, city parking lots and Autobahn rest stops while trying to sell everything from tiny flakes of plutonium to several pounds of lightly enriched tranium to package deals combining radioactive materials with such conventional weapons as tanks and artillery pieces, according to policemen, regulators, prosecutors and customs officials.

German policemen have investigated more than 100 cases this year involving smuggled nuclear material, up from 29 in 1991, according to Hans-Ludwig Zachert, who heads the Federal Crime Office.

Evidence in the cases suggests that freelance con artists and small groups of criminals are crossing borders opened after the end of the Cold War in search of quick profits from poten-tially dangerous radioactive contraband, and that the smugglers are using routes and methods adapted from Europe's heroin and illicit cigarette trades, in which some of the arrested nuclear snugglers also participated.

No evidence has yet emerged of extensive or state-sponsored organized crime rings trading in radioactive materials, according to investigators. Some of the recent cases have apparently involved con men who made wild claims about relatively worthless nuclear waste to extract large sums of money from gullible buyers.

But several aspects of the cases offer cause

Kiosk

Tehran Bought 3 Submarines

will soon receive two more Russian submarines, the country's naval chief said Sunday.

option on a third.

See NUCLEAR, Page 2

Tokyo Cools It With Clinton By David E. Sanger

anese officials, who openly rooted

prompt a postelection backlash.

New York Times Service TOKYO — The Japanese government is spreading a quiet mes-sage to the bundreds of bureau-

TEHRAN (AFP) - Iran crats, businessmen and politicians who hop trans-Pacific flights every week to the United States: Visit your factories, play lots of golf, but stay out of Little Rock.

It was the first time Iran had disclosed the purchase of three submarines from Russia. Western military sources previously said that Tehran had purchased two vessels with an Rear Admiral Abbas Mob-

taj said the two submarines would be delivered "in the near future." The first vessel was delivered last week.

General News

Vienna fears being sucked into the turbulence in its former imperial possessions. Page 6.

ister, Michio Watanabe, is itching for pre-inauguration talks with

Clinton and his advisers. would be unseemly to press Japan's case before Mr. Clinton's economic

"I'm telling my people not to make haste," said Noboru Hata-keyama, vice minister of Interna-As President-elect Bill Clinton assembles his transition team, Japtional Trade and Industry, which for the loser, say they are fearful that an overly eager rush to build bridges with the Democrats could has the most at stake as the new administration comes to power. "Every once in a while the question arises, and someone wants to get in touch with the new crowd. But per-

After a campaign marked by re-peated criticism of foreign lobby-ists—and promises by Mr. Clinton haps it is better to wait." Japanese business executives say to raise \$45 billion in new revenue that they have not received any by taxing foreign companies more formal directives from the governheavily - there are words of caument over bow and when to approach the new administration. But A task force at Japan's Finance several executives report informal

policy may change in the new ad-ministration, and the foreign min-ties to the Republicans in favor of those linked to the Democrats.

In a country perpetually in policy overdrive, restraint is not easy. But several officials warn that it Tokyo is already overflowing with ideas to broach with the new administration, including one to scrap the Busb administration's biggest initiative with Japan: a broad, three-year effort to criticize the fundamental flaws in each other's economies, and then force re-

> The Japanese want to replace the effort, known as the Structural Impediments Initiative, with another, vet-undefined program that they say will be aimed more at the distant future and would be less awkwardly named.

But some officials concede that their timing is poor. Japan's trade deficit with the United States is at record heights, largely because a slowdown in the Japanese economy

Kohl Rules Out Council Seat Now

BERLIN - Chancellor Helmut Kohl said Sunday that even if Germany were offered a seat on the UN Security Council, it was in no position to accept one.

"We cannot bve up to our full member-ship," Mr. Kohl said, citing parliament's failure to agree on a new role for its mili-tary, which traditionally has been barred from United Nations peacekeeping missions or other coalitions outside NATO.

"We've got other problems that take priority," the chancellor said. The fact that Bonn felt obliged to withdraw its destroyer from the UN force off Yugoslavia because of a UN decision to search suspicious vessels "puts a spotlight on the psychological situation we have here," he added.

Reviving Charm of the Champs-Elysées

By Mary Blume

Herold Tribune PARIS — The Champs-Elysées, probably the most famous avenue in the world, site of triumphal parades, tacky shops and petty crime, is once again about to be saved. The vigorous if limited plan of the city of Paris is called the Mission Champs-Flysees.
Sidewalk parking has been banned, and

underground car space is being built. Where cars once parked, a second row of plane trees will be planted, and the uneven sidewalks will be smoothed to a uniform width of 2.5 meters (8 feet) and covered in three shades of granite, none, unfortunately, impervious to chew-

ing gum.
The designer Jean-Michael Wilmotte is creating new street furniture and lighting; case terraces will all have awnings of red or blue. Street peddlers will be banned. Advertising on facades is to be strictly controlled, as are changes to buildings and shop windows. Six sites have been inscribed on the list of historic monuments and more may be

The tree planting and parking will rush to an end by late 1994. The rest of the job is larger in scope and more homeopathic," says the Mission's Patrick Pognant

A group to protect the avenue was founded as early as 1913; in 1916, Louis Vuitton headed the first defense committee of Champs-Elystes merchants. Newspapers in-veighed against the "tyranny of commerce and high finance" and a historical society presciently warned, "We should perhaps be thinking more about the Champs-Elysées than about one particular building." Created in 1667 when André Le Nôtre

danted an avenue of elm trees from the Tuileries to what became the Etoile the Champs-Elysées became a fashionable residential area in the late 19th century for those who wished to escape to the underpopulated western edge of Paris. They were followed by purveyors of goods and services who, as often appens, eventually crowded out their ch-

Between the wars, the avenue symbolized pacious glitter: "the kingdom of the automobile, of high fashion, grand hotels, elegant restaurants and magnificent cafés," André Warnod wrote in 1930. After World War II, the avenue may have

been sadly diminished, but was still raffishly grand. Silvery film producers in camel-hair coats made deals at Fouquet's; glamorous premieres were held in its huge cinemas. Luxury stores moved elsewhere, with automobile showrooms the only vestige of the days when the carriage trade showed off. One town house remains, occupied by The

Travellers Club. The movie houses now tend

to be small and disappearing; there are no

grand hotels or restaurants. There are pinball parlors, fast-food restaurants, souvenir shops. Hardly anyone still lives on the avenne, and about 60 percent of its real estate belongs to insurance companies and banks.

In the '70s, the RER express subway opened the Champs-Elystes to crowds of bored youngsters from the poorer suburbs in search of a good time and, sometimes, a light. Crime statistics are not readily available, but a retired policeman managed a 339-page memoir out of his adventures on the avenne.

The Mission Champs-Elysées grew from a rotest when Fouquet's, the avenue's most famous restaurant, was threatened because its new owners wanted to make it into a shopping mail. Under the leadership of Maurice Cazeneuve, former head of French public television. Fonquet's customers — "who aren't just anyone," he points out —appealed to Culture Minister Jack Lang to bave Fonquet's made a historic monument, although of no architectural interest. A new category was invented: Fouquet's was called a lieu de mémoire and cannot be touched.

Mr. Cazeneave is now head of a group for rehabilitating the Champs-Elysées and of the Comité Triomphe, an umbrella group including the Comité George V and the Comité Montaigne, the lustrous avenues that com-

See PARIS, Page 6



Fast-food establishments are as much a part of the current scenery on the Avenue des Champs-Elysées as the Arc de Triomphe.

rose the E from

ABN A
AGE H
Assort
About
About
About
Accept

GUS IT INTERNATIONAL HERALD TRIBUNE, MONDAY, NOVEMBER 30, 1992

Mystique May Be Gone, but Royals Still Have a Role to Play

Anthony Sampson recently pub-lished a study of British society, "The Essential Anatomy of Britain," in which he argues that the nation's democracy is in crisis because of failings in many of its institutions, including the monarchy. He discussed some of the challenges facing the royal family with Barry James of the International Herald Tribune.

O. Is Queen Elizabeth's offer to pay income tax too little and too late?

A. It doesn't change the situation much, although it is a recognition that the royal family and the queen in particular are prepared to become slightly more up to date. But there is a complete contradiction io British attitudes toward the monarchy. On the one hand, people want it to have a sense of mystique and dignity. On the other, the tabloid newspapers have become unleashed into the destruction of the privacy and dignity of the family, which in the end will destroy any

mystique that might exist. Q. Doesn't the collapse of the royal

Disclosure

Compiled by Our Staff From Dispate

LONDON - The chancellor of the Exchequer, Norman Lamont, faced pressure Sunday to resign in light of disclosures that part of a private legal bill of his had been

paid with public funds.
The £4,680 (\$7,100) in expenses

was incurred 18 months ago when

Mr. Lamont evicted a so-called sex

therapist from a Loodon residence

sion News. "I think it is a serious

error of judgment on his part to seek help and an even more serious

error of judgment of somebody's part to help him pay it." Sara Dale, dubbed Miss Whip-

lash by the tabloid press, rented

Mr. Lamoot's house after he moved into his official residence at No. 11 Downing Street, next door to the prime minister, upon becom-

He was embarrassed by press re-

ports that his tenant, who was pho-

tographed in revealing costume, had been offering "sex-therapy ses-sions" in the basement. The situa-

tion deteriorated when the tabloid

News of the World, in April 1991

reported that Miss Dale had turned

ter that report on the grounds that

she had broken the tenancy agree-

ment by using the £500-a-week

He said in a statement released

Saturday night that the Treasury Department had decided to pay the

amount, which covered "the initial

legal cost of issuing an immediate

statement and the subsequent costs

of handling press inquiries follow-ing reports in the News of the

The remainder of the £23,100 bill

to evict the tenant was paid for by

Conservative Party sources, he said

The legal bill furor followed a

report Thursday that Mr. Lamont

had exceeded his credit card limit

at National Westminster Bank 22

times in 8 years. (AP, Reuters) the congress. As of mid-November,

BREITLING

INSTRUMENTS FOR PROFESSIONALS

CHRONOMAT

Close cooperation with pilots and aviation experts enables Breitling

h continue improving its chronograp

mechanical movement, a rotating beze

and a screw-locked crown.

BREITLING MONTRES SA

P.O. Box 1132

SWITZERLAND - 2540 GRENCHEN

Tel.: 657 51 11 31

Fax: 65/53 1009

the home into a sex parlor.

apartment for business.

ing chancellor.

"I think undoubtedly he should go," the Labor Party deputy leader, Margaret Beckett, told Sky Televi-

Squeezes

Lamont

A. It is pretty shattering. The problem stems from the way the marriages were presented in the first place. The combinatioo of almost record television audiences together with Victorian pomp produced

MONDAY O&A

tremendous expectations of a semireli-gious kind, which was a great mistake. And now the vengeance is all the greater.

O. Of the three estates of British government, Commons, Lords and Crown, only the first seems to have any validity. Does this mean that the ... narchy no has an effective : stitutional

A. People are tempted to think that. 1 do oot think it is true. The monarchy does give a sense of security which is very difficult to define or analyze, but which is very deeply felt by the British people. I was in Washington during Watergate and watched the tremendous insecurity and almost panie of some Americans in the

President Nixon. That made me realize that the role of the head of state is psychologically much more significant than people realize.

Q. Is there any reason to keep a hereditary aristocracy in the House of Lords? A. Many people argue that you need the hereditary aristocracy to give support to the monarchy. That's a bit misleading, because a lot of the old aristocrats are contemptuous of the monarchy - they are rivals to it and they regard it as being rather upstart. They have not done much to support it.

Q. Is there any reason for the monarch to remain head of the state church?

A. No. This is now particularly absurd. With such a high divorce rate in the royal amily, for the monarch to be supposedly embodying this very dignified position in the Church of England really makes no sense at all. It would become quite farcical if Prince Charles both succeeded to the throne and divorced.

O. If he were to divorce or separate, wouldn't this undermine his hope of succeeding the queen?

President Boris N. Yeltsin of Russia getting an earful from a delegate to a national congress of intellectuals being held in Moscow.

there were 1,041 deputies to the full for Reforms. Its major factions are

Democratic Russia, whose mem-

THE CENTER

This is the layer to watch. Since

the Civie Union was formed in

June 1992 ont of several centrist

groups, it has become the most im-

ment. The union generally shares

Mr. Gaidar's goal of a market

economy and a parliament-presi-dent form of government, but it

seeks a far slower transition and a

Civie Union is not formally reg-

istered as a parliamentary faction.

but its leaders say they can muster

40 percent of the vote. Arkadi I.

Volsky, head of Civic Union, has

dubbed it a "constructive opposi-

tion," and has said be will not try to

topple Mr. Gaidar. But the union

ernment personnel and policy in

The main components of Civic Union: the Russian Union of In-

dustrialists and Entrepreneurs,

mostly managers from the state sector, led by Mr. Volsky; the

Democratic Party of Russia, a na-tional party formed by an ambi-

tions worker, Nikolai Travkin, and the Free Russia party, led by Vice President Alexander V. Rutskoi,

In the congress, Civic Union has

Smena-New Politics, the Industrial

which stresses patriotism.

Yeltsin to power. The movement the formal support of five factions: has dwindled and fragmented, but the Workers Union of Russia,

counted on to support Yegor T.

Gaidar, the reformist acting prime
minister, and his programs.

The bloc is called the Coalition

The bloc is called the Coalition

exchange for its support.

nands a considerable say in gov-

less Western orientation.

portant opposition to the govern- gei Baburin, a former law professor

Mr. Lamont had her evicted afMr. Lamont had her evicted afMr. Lamont had her evicted afMr. Lamont had her evicted af-

percent of its members were Com-

munist Party members, and their

heritage still heavily colors the pro-

NEWS ANALYSIS

ccedings. For another, the congress

is really a collection of second-

stringers - more ambitious politi-

cians ran for the Soviet parliament,

which was disbanded after the

failed August 1991 coup. Most

deputies would probably oot be re-

Finally, the congress has devel-

oped in the absence of a democratic

tradition. Debate is often unfo-

cused and procedures routinely vi-

olated. The speaker, Ruslan L Khasbulatov, is widely viewed as

imperious in ramming through

Experience shows that about 20

percent always support President Boris N. Yeltsin, and about 30 per-

cent always oppose him. The strug-

At the current session, the distri-

bution of forces is something like

THE "DEMOCRATS"

This is the label normally ap-

plied to the successors of Demo-

cratic Russia, the bloc of liberals

and reformers that brought Mr.

Yeltsin to power. The movement

its estimated 300 members can be

votes and playing for power.

gle is for the center.

By Serge Schmemann New York Times Service

half years ago but "in a different

commentator noted, the Congress

of People's Deputies, which con-

venes for the seventh time Tuesday

has become one of the new Russia's

highest legislative authority in the Russian Federation. Only the full

congress can amend the constitu-

tion or adopt a new one. The con-

gress is supposed to meet twice a year. Between its sessions, legisla-

tive work is entrusted to a standing

parliament, the Supreme Soviet,

whose 248 members are named by

Formally, the congress is the

most boisterous institutions

era and a different countr

MOSCOW - Elected two and a

A. I had an interview with him some years ago in which he did say that the monarchy was a kind of elective institution in that if people don't want it they won't have it. I don't think he will wish to succeed if he doesn't think he has the people behind him. But the British have been able to cope with an amazing range of monarchs, including some pretty un-

Q. Is republicanism really catching on? A. In this country it's a bit bogus because people have not yet faced up to the alternative. When they consider what that alternative might be — a President Thatcher or a President Heath, for example - then they may have second

satisfactory ones.

Q. Would a presidency be as costly? A. It certainly would not be much cheaper. And the role of the royal family in charity work is very significant. Any fund-raiser knows that once you have got even a minor member of the royal family to a party, you are really in the big Q. Is it fair to say that the queen was seen as a counterbalance to Mrs. Thatcher, paradoxically even as the voice of the

A. f think that is true, and this affects my view of the monarchy. When you see how close Thatcher got to becoming a kind of monarch herself, you realize how important it is to have a continuous monarchy. If the queen hadn't been there, Thatcher's domination would have been much more dangerous. She was already. very dominant, and she demoralized so many other countervailing forces in the

Q. Some members of the royal family, such as the Queen Mother, can do no wrong in the eyes of the public. But some seem parasitical. Should the family be officially restricted to an inner circle?

A. This looks like the trend. But such is the royal magic - or, if you like, the royal soap opera - that even minor members of royalty still attract enormous media attention. It is not really in the queen's power to diminish that appeal. Nevertheless, I think she has been ineffective at limiting the royal circle.

New Party Is Urged

totalitarian rule.

The president's attempt to rein-vigorate the weak and disorganized democratic camp came two days before a potentially critical winter session of the Congress of People's Deputies. Hard-line Communists and nationalists are expected to use the session to try to topple Mr. Yeltsin's government and slow down or even reverse the drive toward a free market.

"Radical reforms need a strong

The hard-line Communists and Western parliaments, the congress is most distinct. For one thing, 86

Despute external similarities with bers include some of the most remainded in the congress spected former dissidents, and the is most distinct. For one thing, 86

Radical Democrats mostly yours. Russian Unity can probably draw oo a third of the deputies. Its

> egates authority to a smaller working parliament, known as the Supreme Soviet.

By Yeltsin

Yeltsin called on his supporters Sunday to form a new political movement to safeguard his radical economie program and preven Russia from slipping back toward

social base, and an appropriate political structure, maybe a party, maybe a political movement," Mr. Yeltsin said at a rally in Moscow attended by several thousand supporters. "We need such a political force, and I as president must be with it and part of it."

The call to arms marked a change of tack for the 62-year-old president, who has sought to portray himself over the last few months as a unifying national fig-ure above party politics. It reflected a growing sense among his supporters that there is no place left to retreat if he wants to preserve the

to preserve his program, with the support of the armed forces, the president has succeeded in shoring up a rather weak position.

ment, which Mr. Yeltsin helped found, has degenerated into a coldecreasing influence. Many "dem-ocrats" have defected to rival camps, and the movement can no longer mobilize more than 20 per-

tives of a political party. In between sessions, the Congress del-

During the run-up to the Congress, Mr. Yeltsin has sought to win the support of centrist deputies by making modifications to his economic program and reshuffling his government team. But he insisted this weekend that the compromises were "tactical" rather than "strategic" in character.

urday. "My main concern is to maintain the course of reform and While there is certain to be a

By Michael Dobbs Washington Past Service MOSCOW -- President Boris N.

essence of his free-market program. The Democratic Russia move-

cent of the deputies. There is practically no sense of party discipline among the depu-ties, most of whom ran as individuals rather than as the representa-

"Not one principal position has been given away," Mr. Yeltsin told a gathering of intellectuals on Sat-

democracy." storm of criticism of the government from the "irreconcilable opposition" of Communists and nationalists, most observers here expect Mr. Yeltsin to survive the Congress with his economic team and policies essentially intact. By hinting that he might resort to force

NUCLEAR: Alarm Grows in Europe Over Rise in Nuclear Smuggling (Continued from page 1) Evidence gathered by policemen

for serious concern, European ou-

clear regulators say.

Some radioactive materials seized in the recent arrests appear to have come from former East bloc military installations, according to Joachim Fechner, the German Environment Ministry official responsible for evaluating the smuggling cases. This material, mainly cesium, is not related to nuclear weapons but has been distributed to military compounds in Eastern Europe and the former Soviet Union for use in anclear decontamination exercises, Mr. Fech-

UNIVERSITY DEGREE BACHELORS - MASTERS - DOCTORATE Experience - No Classroom Attendance Required (310) 471-0306 FAX: (310) 471-6456 Call or write for interpretage Pacific Western University 600 N Sepulveda Blvd Dept 23 Los Angeles, CA 90049

and German intelligence officials contains hints that "some high military officers" from the former East bloc may be involved in the smuggling. Mr. Fechner said. But he and other officials said they still had no concrete proof of such involvement oor evidence suggesting that smugglers have penetrated major nuclear weapons installations in the former Soviet Union, such as the ones that store missiles and

Other radioactive material confiscated from those arrested, mainly lightly enriched uranism, has been traced to specific designs of commercial ouclear reactors in Romania and the former Soviet Union, several investigators said.

The smugglers "will deal with anything — drugs, cigarettes, nu-clear materials — it's all the same to them," said Friedrich Palmer. chief of customs enforcement in Bavaria, where about a dozen people have been arrested on nuclear smuggling charges in the last six Senator Sam Nunn, Democrat of

Georgia, who recently returned

week that officials in Belarus disclosed that they had recently thwarted efforts to smuggle urani-um into Poland. Mr. Nunn said the disclosure "leads to the question of whether there have been shipments that have gotten through of urani-um, and highly enriched uranium. which could be used in weapons." Another concern is that several of the nuclear smuggling cases have

THE REACTIONARIES

Unity. Its goals include restoring

major factions include the "Rus-

and the most prominent spokes-

man for the hard-liners: Civic Soci-

ety, which is not to be confused with Civic Union; Fatherland,

which includes several former high-

ranking military and KGB officers;

the Agrarian Union, which groups

state-farm officials, and Commu

nists of Russia, one of several com-

Many of the deputies in Russian

Unity are also in the new National

Salvation Front, a coalition of the

extreme left and right that was

formed last mooth and then

promptly but ineffectively banned

THE SPEAKER

Mr. Khasbulatov, 50, qualifies as

He is a native of Chechenya in

southern Russia and was virtually

unknown before be was elected to

the Russian legislature in 1990. He was initially an ardent Yeltsimite.

pand the powers of the legislature

of the president and prime minis-

ter. But he generally steers the con-

gress away from serious attempts to

topple Mr. Yeltsin or the govern-

ment, since that would probably

prompt the president to disband

the congress, thus putting Mr. Khasbulatov out of power.

Mr. Khasbulatov seeks to ex-

and its speaker -at the expense

munist formations.

by Mr. Yeltsin.

a force of his own.

grouping, which is led by Ser-

socialism and a powerful state.

involved businessmen who claimed they had access to large amounts of nuclear materials and to a variety of conventional weaponry. Although the larger of these claims have proved unfounded when investigated by the police, there are apparently some cases in alleged nuclear smugglers have been trading illicitly in conventional arms.

Moreover, investigators have turned up clear evidence that some nuclear smugglers have links to such nonnuclear-organized crimes as heroin trafficking and the profitable smuggling of cigarettes from Eastern Europe and Russia into the European Community.

The cases uncovered so far frequently border on the bizarre. Those arrested include a Roman in large enough quantities.

Catholic priest accused of using a fax machine in his small parish in Germany to run a military procurement operation for the Croatian government and a British business man formerly involved in the Biafran civil war who reportedly claimed exaggerated connections with Middle Eastern governments.

Regulators in Europe and at the International Atomic Energy Agency, which is also looking into the smuggling cases, emphasize that the kinds of radioactive materials turning up so far do not yet justify fears of a renegade government or terrorist group being able to buy a nuclear weapon on the black market.
In the cases involving uranium.

some of the amounts seized have been significant, but the level of enrichment has been far below what would be necessary for a nu-

Nonetheless, depending on the kind of uranium involved and how many steps of the nuclear fuel cycle it has been through uranium of the sort being seized in the snaugeling cases could prove useful to a nuclear bomb manufacturer if acquired

WORLD BRIEFS

Bérégovoy Warns on Farm Protests

PARIS (AP) — Reacting to violence against a U.S.-European pact to cut agricultural subsidies, Prime Minister Pierre Bézégovoy says farmers should not risk actions that could end up kurting French exports.

"When the protests degenerate into violence — and I strongly con-denn them — the images spread around the world do a disservice to our agricultural products and to France," Mr. Bérégovoy said in an interview Sunday. "You have everything to lose and nothing to gain," he told French farmers, who are the EC's biggest agricultural exporters and making up 6 percent of the population, wield significant political power. Farmers have clashed with the police near the U.S. Embassy and other government buildings, blocked highways, occupied a Coca Cola plant and dumped manure and crops outside city halls.

72% in Russia Want to Keep Kurils

TOKYO (AFP) — More than 70 percent of Russians reject Japan's demand for return of the Russian-held southern Kuril Islands, a contentious issue between the two countries, according to an opinion poli

The survey, conducted jointly by Japanese and Russian polling agencies in the first half of November, said 84 percent of Japanese respondents supported Tokyo's claims to the islands, while 72.2 percent of Russians rejected the Japanese claims.
On the other hand, 12.3 percent of the Russians approved of returning

the islands to Japan, the liji news agency said. The agency said the poll had covered 2,000 Japanese adults and 1,500 Russians aged 16 or older. It added that 71.4 percent of the Japanese and 95.1 percent of the Russians had responded to the poll, conducted by Jiji's affiliate Chuo Chosa Co. and the All-Russia Public Opinion Poll Center.

Algeria Vows 'War' on Islamic Front

ALGIERS (AP) — To combat violence nearly a year after legislative elections were canceled, the government promised "total war" on Sunday against supporters of Algeria's the main Muslim fundamentalist party.

To begin Saturday, a day after an amnesty deadline for militants, the campaign could "limit the liberties" of Algerian residents, Prime Minister Belaid Abdessalam said in official press reports Sunday.

He said Algiers would dissolve local and regional governments as well as charity and union organizations sympathizing with the Islamic Salvation Front, whose whose imminent election victory was canceled in January. Even businesses suspected of having links to "destabilizing actions against the state" would be dismantled, Mr. Abdessalam was quoted as saying.

Swedish Opposition Gains in Poll
STOCKHOLM (Reuters) — Swedish voters have lost faith in the
government and shifted their support to the opposition Social Democrats
since the crown was allowed to float against other currencies, according

to an opinion poll published Sunday.

The survey by the Sifo polling institute showed that 48 percent of Swedes interviewed said they would vote for the Social Democrats, an increase of 4.1 percentage points from a month ago. The poll was carried out the week before and after the Central Bank floated the crown on Nov. abandoning a key goal of keeping a fixed exchange rate.
 The survey done on behalf of the daily Svenska Dagbladet also showed

an increase in political uncertainty among the nearly 2,000 voters questioned. Up to 13.1 percent of voters were undecided or said they would

TRAVEL UPDATE

Malaysia Airlines will consult medical experts and study passenger reaction before deciding whether to ban smoking on all its international flights, Transport Minister Ling Liong Sik said Sunday.

(AP)

Air-traffic controllers in Moscow have announced that they will go on strike as of Taesday, after a failure to reach an agreement with the government on salary and legal matters, the Russian press agency Itar-Tass said. But an air controllers' spokesman at Sheremetyevo, the main international airport in Moscow, said Saturday that the strike would not affect international flights to and from the capital.

This Week's Holidays

Banking and government offices will be closed or services curtailed in the following countries and their dependencies this week because of national and religious holidays:

· MONDAY: Bartiados, Montenegro, Philippines, Serbia. TUESDAY: Central African Republic, Chad, Macao, Montenegro, Portugal,

WEDNESDAY: United Ausb Emirates. THURSDAY: United Arab Eminates. SATURDAY: Haiti.

٠٠٠ : ١٠٠٠

122 E. 22

Midnote.

Sam. . .

May From F

THE REAL WAY

apply of Passage

I rocks carr

Mariot Water COM

(dequela)

lings but

ألمان والمناز والمناز والمناز

Seite and a serie

್ಲಿ ಸರ್ವಜನೆ ಕ್ಷಮ್ಮ ಕ

China Decontrols **More Food Prices**

By Sheryl WuDunn New York Times Service BELIING - In what is seen as a significant step toward freeing prices and creating a more rational market system, the government has announced that it is removing price con-trols on grain in China's most populous province and on meat and eggs in Beijing.
The official Xinhua press

agency said consumers in Sichoan Province, which is home to 108 million people, from now on would pay market prices for rice and other staple grain products. In Beijing, beginning Tuesday, employees will have to pay as much as 40 percent more for meat, as well as smaller increases for eggs and vegeta-

ernment's subsidies for grain and other staples cost about \$365 million in each of the last few years, but the lifting of price controls will not alleviate the fiscal burden. Sichuan will. now pay a subsidy of 36 cents a month to most students and urban workers, to defray the cost of the price increases. In Beijing, subsidies for

The Sichuan provincial gov-

meat, eggs and similar products cost \$181 million last year. Beijing will pay a monthly subsidy of a bit more than \$2 a person to compensate for the new price increases. An official study said the new subsidy was slightly more than the actual increase in costs that the average person will face.

Nongovernment workers, however, will probably feel the The announcement Saturday

reflects the government's in-creasing boldness in doing away with the price subsidies that have been central to Chinese urban life for four decades. In the last few months, a growing number of cities and prov-nces have canceled subsidies and freed prices, and there are signs that fixed prices for oil, grain and other commodities will soon be freed all across the

The lifting of price controls, which are an unportant element

its economy along market lines, suggests that the authorities feel confident that workers will not react violently. Although there has been grumbling, the lack of an angry response underscores China's growing prosperity and willingness to absorb higher prices in exchange for more and better merchandise.

The government said two weeks ago that grain coupons would be abandoned throughout the nation in one to three years. That apparently means that by then, virtually all consomer prices will be at market Rising prices in 1988 contrib-

uted to the anger that exploded during the Tiananmen Square democracy movement the following spring.

Over the last 18 months, the

government has again tried to adjust prices to bring them closer to market levels, and there has been little reaction. Prices of rice, noodles, cooking oil and train tickets have all been raised significantly. The government traditionally

issued consumers coupons that could be used to buy foods at fixed state prices, and the change means that Beining citizens will no longer use compons for meat or eggs. The only cou-pons still in use in Bening will be for grain and cooking oil. In Gnangdong Province more than a decade ago, offi-

cials discovered that by ending fixed low prices for fish, the supply increased quickly and sharply. This autumn a few provinces, including Anhui in the center of China, abandoned fixed prices for grain without provoking any mirest.

On Tuesday, Beijing resi icats will pay as much as 38 percent more for ordinary pork. 3r 48 cents a pound, the current price in the free market Leanpork prices will rise to \$1 cents a pound, up 19 percent, while beef will sell at 60 cents a pound, up 29 percent. The price, of eggs will rise only 6 percent to about 70 cents a dozen.

The average base salary for a

A CONTRACTOR OF THE PARTY OF TH Was se

A CONTROL OF THE PROPERTY OF T

TRANSITION / THE PEROT FA

Clinton Urged to Redefine Intelligence No

WASHINGTON — Congressional Democrats who advise President-elect Bill Clinton say he will need a more complete and timely analysis of the messy problems of civil wars, ethnic conflicts and economic competitiveness. Although in 1990 CIA analysis correctly predicted the ethnic turnoil that would result from the breakup of Yugoslavia, for example, the first reports of Serbian death camps were reported in August not by covert operators on the ground but by Newsday.

The Clinton administration will be faced with a number of

serious diplomatic challenges early on that will require more timely, objective and relevant intelligence," said Representative Dave McCurdy, the Oklahoma Democrat who is chairman of the House Permanent Select Committee on Intelligence. "The Bosnias and the Somalias will be the rule rather than the exception in foreign policy, and that requires a different focus."

To meet those needs, Mr. McCurdy and other influential Democrats say that Mr. Clinton will have to redefine his intelligence needs. At the moment, policymakers bombard the CIA and other intelligence agencies with across-the-board requests, from the big issues like North Korea's nuclear threat to minutiae, like the length of a Somalian airstrip or the the size and location of an Albanian exodus.

Democrats also recommend that Mr. Clinton place greater emphasis on reporting from spies on the ground and on analysis of publicly available information. "A satellite photograph cannot detect the actions of a terrorist making explosive devices in an abandoned building," Senator David L. Boren, the Oklahoma Democrat who is chairman of the Senate Select Committee on Intelligence,

who is chairman of the Schale Scient Committee on Intelligence, wrote recently in Foreign Affairs.

Mr. Clinton has chosen two longtime Capitol Hill aides to handle intelligence issues during the transition: George J. Tenet, the staff director for the Senate intelligence committee, and John G. Keliher, his counterpart in the House. Both men played important roles in developing legislation introduced by their committees earlier this year to reorganize the U.S. intelligence agencies. More important, they enjoy the respect of Congress and the intelligence bureaucrats. Mr. Clinton has given no hint of his choice for the next director of central intelligence. Mr. McCurdy and Mr. Boren have urged the president-elect not to rush to push Robert M. Gates out of what is supposed to be a nonpolitical job.

"I didn't support him when he came in, but I've come around,"

Mr. McCurdy said. "Gates has tried very hard."

New Women Senators Scorn Judiclary Panel

WASHINGTON - The Senate Judiciary Committee, derided since the Clarence Thomas-Anita F. Hill hearings and attacked in the campaigns of female candidates, has been scorned anew. It turns out that none of the women elected to the Senate on Nov. 3 wants to serve on the committee they ran against.

Because Senate leaders recoil at the idea of another nationally televised Supreme Court nomination reminding the country of the overwhelming whiteness and maleness of the Senate, some sort of deal is likely to be made. One possibility could involve giving a seat on the Appropriations Committee to whichever female senator will take the Judiciary Committee.

In the meantime, Judiciary Committee staff members, still smarting from the criticism the committee has received, find it ironic, even hypocritical, that newly elected women senators are resisting the committee. "Why can't they put their money where their month is?" asked a counsel for a committee member.

And it is not as if the chairman, Joseph R. Biden Jr., Democrat of Delaware, has not been trying. After her victory in the Democratic Senate primary in California, Representative Barbara Boxer received a dozen red roses, hand-delivered by Mr. Biden with a note saying, "Welcome to the Senate Judiciary Committee."

He continued to woo her and the others, campaigning for them in their states and, most recently, cornering Dianne Feinstein, another

oew Democratic senator from California, at a party for Mr. Clinton at the Washington home of Pamela Harriman.

But Mr. Biden apparently has not done enough. None of the women is making the committee a priority in requests to the Senate leadership, athough some have not ruled it out as part of a deal.

All the women made the committee an issue in their campaigns. A month after the October 1991 Thomas-Hill hearings, for example, Representative Boxer ran a commercial that opened with a shot of the panel and a close-up of Senator Strom Thurmond, Republican of South Carolina, who turns 90 on Dec. 5. "It bit me how out of step the Senate is, how out of touch they are," she said. (WP)

Packwood Ready to Aid Probe of Conduct

WASHINGTON - Senator Bob Packwood says he will request and cooperate in an ethics committee investigation of his treatment of female staff members and lobbyists who said he made unwanted sexual advances toward them. He also said he would seek counseling

for what he described as his "problems" with alcohol.

The decision by Mr. Packwood, 60, Republican of Oregon, issued in a statement by his Oregon office, was made after a half-dozen women's rights groups orged a Senate ethics probe into his conduct. In Los Angeles, Gloria Alfred, president of the Women's Equal Rights Legal Defense and Education Fund, said she had written to the Select Committee and acked for a "full fair acked fair and acked for a "full fair acked for a "full fair acked fair acked for a "full fair acked fair ack the Select Committee on Ethics and asked for a "full, fair and prompt inquiry into this scandal." (WP)

Quote-Unquote.

Senator Packwood, in a statement in response to the charges against bim: "Upon reflection, I realize I have problems and will seek professional advice in connection with my use of alcohol." (WP) Betty Roberts, spokeswoman for a coalition of Oregon groups that seeks his resignation: "The statement is not adequate." (WP)

Away From Politics

 The landing gear of a Mexicana Airlines Airlines 320 collapsed as it rolled toward takeoff at Los Angeles International Airport with 150 passengers aboard. The pilot brought the plane to a stop, and no one was injured, officials said. The plane was bound for Mexico City.

 A bureaucratic tangle in federal sid regulations has tied up \$60 million intended to rebuild apartments destroyed or damaged by the e The two beings whales that died a month after arriving at the John

G. Shedd Aquarinm in Chicago were probably killed by a reaction to an anti-parasite medication, the aquarium said.

• The mayor of Passaic, New Jersey, Joseph Lipari, was convicted on five U.S. tax charges and two counts of conspiracy for extorting a \$150,000 kickback from a man doing business with the city. A Titan IV rocket carrying a secret government payload was launched at Vandenberg Air Force Base, California, officials said.

 The New York state energy commissioner has asked oil companies and gasoline retailers in the New York City area and on Long Island to explain larger-than-expected price increases for cleaner-burning gasoline that went on sale in November under new state regulations intended to reduce air pollution.

Venezuela Leader Admits **Errors but Will Not Resign**

CARACAS — President Carios Andrés Pèrez said in a broadcast speech on Sunday, after the second coup attempt against him this year, that be had no intention of resign-

ing.
That is something which I have never been prepared to do and am not prepared to do," he said. Mr. Perez, who was elected in 1989 to a five-year term, acknowledged that his government had committed errors since taking power and had not convinced Venezue-

forms he put into effect. But he said this did not justify the violence of the uprising in which about 170 people were killed and many others wounded.

lans of the need for economic re-

Also, at least 100 prisoners were killed during the coup attempt and its aftermath when they tried to escape from the Catia prison in the ital, according to the governor Caracas, Antonio Ledezma. In a statement on Sunday, Defense Minister Ivan Jiménez Sán-

chez identified 10 senior members of the armed forces who he said were behind the coup attempt. He identified the most senior members of the coup leadership as Rear Admiral Hernán Gruber Odreman, Brigadier General Francisco Visconti of the air force, who

Luis Cabrera Aguirre. Officials said about 1,300 participants in the uprising had been de-tained. (Reuters, AFP)

has fled to Peru, and Rear Admiral



Mr. Clinton trying his hand at volleyball in Santa Barbara, California. He found the game while jogging.

Republicans Prepare for Filibusters

By Paul F. Horvitz

International Revald Tribune
WASHINGTON — The filibuster, a legislative tactic used by the minority to delay a vote by the majority, could become a preferred Republican tool during the Clinton presidency, Senator Bob Dole, the Senate minority leader, indicated

Its use could frustrate the incoming Democrat, Bill Clinton, whose campaign laid out an ambitious agenda for Congress amid public anger at partisan bickering in Under Senate rules, Mr. Dole, a

Republican from Kansas, will need 41 of the 100 Senate votes to prevent a bill from coming to a vote. Republicans will hold 43 votes in the new Senate, to the Democrats'

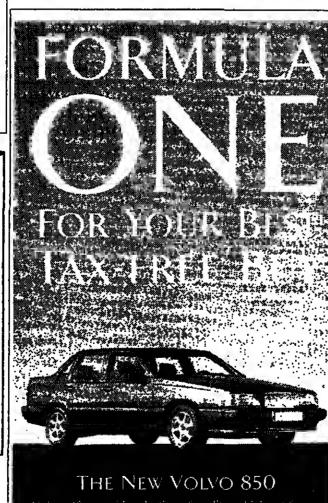
Mr. Dole said in a television interview that he could foresee Republican-led filibusters on at least two issues — legislation to bar companies from permanently re-placing workers who are on strike and any measure that would hold senators to different campaign finance limitations from those for members of the House of Repre- after a four-day vacation in California. He is expected to begin ansentatives.

The striker-replacement bill is being pushed by organized labor, and the two parties have long been at odds over campaign finance re-

In a filibuster, once senators fa-voring a bill fail to muster the 60 votes needed to end debate, oppo-neats often talk round the clock to delay action on the measure. The tactic is used so frequently that many senators simply direct a memo to the leadership stating a filibuster is imminent; that either prevents the bill from coming to the Senate floor in the first place, or results in a compromise.

Depending on one's point of view, a Republican-led filibuster could be labeled partisan obstructionism - gridlock. Or it could be seen as an unpleasant but occessary means of preventing Democrats from railroading legislation through Congress with a Demo-cratic president waiting to sign it into law.

Mr. Clinton, meantime, prepared to return to his office in Little Rock, Arkansas, on Monday



driving pieasure and outstanding performance.

all the hesses and pagemork to up. Choose one of several Ecropean

A PROPERTY.

Loser's Voters Already Wooed Clinton Team Sees Perot's Backers as Crucial

By Thomas L. Friedman

New York Times Service
WASHINGTON — Just as Ross Perot managed to reshape the 1992 presidential campaign merely by hovering around its edges, his sbadow is now influencing the emerging strategy of the Clinton administra-

Mr. Perot is back in Texas, quiet for the moment, and the potential power of his supporters, who are reorganizing, is still uncertain. But aides to President-elect Bill Clinton are well aware that one in five voters chose Mr. Perot, whose backers have warned that they intend to lobby the Clinton White House for

With that in mind, Mr. Clipton's team is tailoring parts of its public relations and governing strategy to

win them over.
"I can't believe I am talking about 1996 before Governor Clin-ton has even been inaugurated," said his communications director, George Stephanopoulos, "but assuming that 1996 will be a twoperson race, then the Perot voters will be central to that election. They have to be part of our think-ing. They will be the difference be-

tween winning and losing."
Considering that Mr. Clinton got
43 percent of the vote, President George Bush 39 percent and Mr. Perot 19 percent, said David Wilhelm, director of political affairs for the Clinton transition team, "it is an important political objective of ours to reach out to those folks in the coming months."

Reaching them, though, may not be easy, because Clinton and Perot advisers have different views about how to attract the Perot constituency -- the hard-core followers who are trying to create a political organization, as well as the millions of sympathizers whose political affiliitions are uncertain.

Clinton aides say that to transform those voters into Clinton supporters in four years, the presidentelect will use a variety of Perotstyle techniques, from town hall meetings to toll-free phone numbers, to appeal to their demand for nouncing cabinet officials early in unmediated, direct contact with December, and is likely to name a decisionmakers.

Treasury secretary in advance of a His aides say that Mr. Clinton Dec. 14-15 economic conference with business, labor and consumer will also heavily stress issues that appeal to the hunger of Perot voters leaders. Mr. Clinton will take office to "clean up the mess in Washington" - such as overhauling campaign finance laws and limiting are symbols of the mess in Wash special-interest lnbbying.

Mr. Clinton wants to adopt some of these techniques and tackle some of these issues for his own reasons, partly to get around the press and partly because the issues are ones he cares about. But they are being given added attention because of

the Perot factor, aides say.

Although Mr. Clinton intends to focus on reducing the deficit and national debt, Mr. Perot's primary issues, he is still open to the possibility of increasing the deficit in the short term in order to stimulate the elements of a looming apocalypse.

ington. They say they can avoid taking them on immediately, provided they convey a sense that they are energetically and effectively addressing such national problems as bealth care, job growth or welfare. Mr. Perot's supporters strongly disagree with the president-elect's

They contend that the \$4 trillion national debt and the large deficit are not just symbols of government in gridlock. They view those prob-lems almost theologically — like

economy, and seems uncertain about how quickly and deeply be intends to cut the national debt.

"You can't pay them off just by going after lobbyists or the Japanese," said James Squires, Mr. Per-But the Clinton team believes ot's former spokesman. "You have that for Perot voters these issues to go after the deficit and debt."

For a Texas Senator, A Home at 50% Off

By Jeff Gerth and Dean Baquet

WASHINGTON - Senator Phil Gramm, a leading member of the Senate Banking Committee, belped guide a troubled Dallas savings and loan operator in dealings with U.S. regulators one year after the executive had picked up nearly half of about \$117,000 worth of building expenses on the Texas Republican's waterfront vacation home in Maryland.

In 1987, Jerry D. Stiles, then a prominent home-builder and developer in the Dallas area, took on a project for Mr. Gramm and his wife, who had bought more than 35 acres (14 hectares) on a remote part of Maryland's Eastern Shore and needed a contractor to finish construction on the shell of a two-story house.

Mr. Stiles also owned three Texas savings and loans, which later failed and which regulators say will cost taxpayers more than \$200

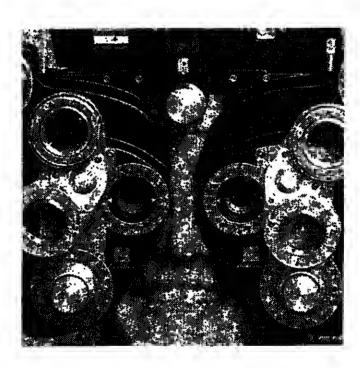
Mr. Stiles assembled a crew of workers in Texas, led by a skilled craftsman, and flew them to Maryland. There, lodged in hotels, they worked for a few months to finish the Gramms' 2,815-square-foot

house along the banks of the Honga River.

In constructing the interior of the house, Mr. Stiles advanced the \$117,000 — interest free — for labor, materials and travel expenses that the job was said to have finally cost. But he oever billed the senator for anything until three months after the work was finished, and then he asked for only \$63,000 — the maximum that Mr. Gramm had told Mr. Stiles he was willing to pay.

At least two U.S. agencies, including the FBI, examined the relationship between the senator and Mr. Stiles, in 1989 and 1990, according to documents and interviews. But the government decided not to investigate further, partly because the Senate Select Committee on Ethics subsequently decided in January 1990 that the senator had not unethically accepted something from Mr. Stiles and did not

Both he and Mr. Stiles have described the extra expenses to Senate investigators as a cost overrun that Mr. Stiles willingly assumed.



Expanding horizons

N ewsweek gives you more coverage of advances in medicine than any other international newsmagazine.



THE INTERNATIONAL NEWSMAGAZINE

13-46 61-7 61-6 12'46 331-2 61-4 1240 31-2 301-2 17:46



Herald Cribune.

Yes, Troops to Somalia

tary ground troops as part of a United have a 16-year-old kid wearing an 1 AM Nations plan to protect relief operations in THE BOSS T-shirt sticking an AK-47 up Somalia is the kind of strong action war- your cose, you cannot return fire or defend ranted by horrible circumstances. To sit yourself until your head is blown off. And back and allow Somalia's rival warlords and armed teenage marauders to divert critically oeeded food and medicine from its proper destination consigns thousands of sick and starving Somalis to slow death. If ever there was a strong case for humanitarian military intervencion in behalf of the helpless, it can be found in Somalia.

While an estimated 300,000 people have already died, and 2 million more may reach the hrink of starvation, ruthless gunmen have been making their living from looting. Last week a famine relief plane was attacked, and United Nations officials on it were rohbed. In one Somali port, aid shipments have had to be stopped altogether, and in another fighting among rival gun-men has left food sitting useless offshore. By one UN estimate, only 20 percent of the massive internacional relief shipments are getting through. The rest is consumed by

clans or sold outside the country for arms. The 500 Pakistani troops deployed in Somali under the UN flag are no match for the flourishing anarchy. As Stephen Tomlin, director of the International Medical Corps, told The Associated Press: "Now

George Bush's decision to offer U.S. mili- UN soldiers can only fire back. So if you we have people sticking guns up our ooses all the time." This is why the international force must be augmented.

The Pentagon expects any U.S. troops committed in Somalia to face more advantageous circumstances than UN forces face in Bosnia, where the factions are far better armed and organized and operate in heavily forested terrain. Nonetheless, the Bush administration is wise to condidon American participation on the involvement of a multinational coalidon. It makes sense, too. to keep U.S. forces under U.S. command.

The larger question of what is to be done for the country after it is taken back from the gunmen eventually will have to be addressed. This will be the task of Somalis dedicated to reconciliation, and some officials at the United Nations are recommending an early start in organizing a new Somali administrative and political regime. The

difficulties, however, are formidable.

The immediate priority is to start the feeding again. Relief cannot be made conditional oo a poliocal process so torn and

- THE WASHINGTON POST.

Plan for Haitian Refugees

administration's punitive policies toward Haitian refugees has raised excessive expectations in Haiti and excessive fears in America. All the president-elect proposes is to return to traditional interpretations of internacional practice and U.S. law, assuring Haitians who claim political persecution s fair hearing. That is only decency, not reckless generosity. The new administration is not about to open America's doors to every Haitian seeking a better life. It merely intends to abandon the Bush policy of turning back Haitian boats on the high seas without giving their occupants a chance to demonstrate legitimate claims to asylum.

The new approach will hurden American facilities and resources. But with prompt planning the load can be managed. Departures from Haio are up already and could soar even before inauguration day if the Supreme Court strikes down George Bush's

authorization of preemptive interceptions. Clinton spokesmen talk of carrying out asylum interviews in other countries or oo shipboard. That seems unrealistic. No other countries in the region have been willing to admit large numbers of Haitians, even temporarily. U.S. Coast Guard and Navy ships cannot accommodate large groups awaiting processing for long periods. That leaves American bases like the one at Guantanamo Bay, supplemented by scattered-site fa-cilities on the U.S. mainland.

Without a major change in Haiti's political situadon, applicants could oumber 100,000 or more. Judging from interviews at Guantanamo earlier this year, only about a third will pass initial screening. Most of these will eventually qualify for something called Temporary Protected Status — revocable in theory should re-

pression in Haiti ease. Diplomatic efforts to restore Jean-Bertrand Aristide, deposed as president 14 months ago, are now stalemated. A regional economic emhargo has been too porous to exert real pressure. And the Organization of American States has hesitated to

apply tougher measures.
That leaves scope for a Clinton administration to increase diplomatic pressure on the Haitian military, the real power behind Prime Minister Marc Bazin. It could lean on European and other allies to join the Western Hemisphere's embargo. It could use the navy and coast guard to tighten enforcement. And it could restrict the travel and economic privileges of close collabora-tors with the Haitian dictatorship when they come to the United States.

None of this is guaranteed to produce quick results, given the hitterness of the Haitian quarrel and the reluctance on all sides to compromise. Meanwhile, it is time to begin preparing for the inevitable in-

-THE NEW YORK TIMES.

Cuba 59, United States 3

It is odd for the United States once again and carried off the lopsided as to find itself the target of one of those gross General Assembly majorities that did so much to give the United Nations a bad name in Cold War times. But there it was last week with only two others for (Israel, Romania), 59 against and 79 abstaining, the 59 as well as the 79 including allies and close friends. The resolution called for an end to the 30-year American embargo against Communist Cuba. The result was oonbinding, but it certainly suggests that on this issue Washington is isolated practically as oever before.

The General Assembly was wrapping op

a sequence that had begun in the American presidential campaign. Appealing to Flori-da's Cuban exiles, candidate Bill Clinton had crudely promised to "put the hammer down oo Fidel Castro" hy endorsing the Cuban Democracy Act. Up to that point, George Bush had hung back on this bill, realizing that it would go beyond barring American companies from trading with Cuba and, in a foolish extraterritorial reach, would also bar their foreign subsidiaries. Once Mr. Clintoo upped the ante, however, President Bush met it. The legislation passed A shrewd Fidel Castro seized on the language on foreign subsidiaries, ran up the banner of Third World nationalism

There was another factor. Cuba is, as it should be, under continuing UN scrutiny as a human rights violator. The latest UN report on this subject also came out last week. Unfortunately, in the secretariat as in the membership there is a tendency to blame Cuban rights violations not so much on Fidel Castro for committing them as on the U.S. government for keeping Cuba under "hostile" pressure. The notion that the Cuban dictator would be more democratic if the Americans let him is frivolous. Nonetheless, the latest report calls sanctions "to-tally counterproductive if it is the internaconal community's intention to improve

the human rights situation." Sound policy seeks to put Cuba under pressure to democratize but at the same time to expand contacts that advance peaceful change. Thus does the Cuban Democracy Act, representing the 1992 model of American diplomacy for these eads, curb trade even while it widens telephone and mail communication. The trouble is that it curbs trade imprudently. That is how the UN vote against the American embargo came about. Mr. Clinton had an indirect hand in producing this result. He will have the opportunity to consider changing it. - THE WASHINGTON POST.

Other Comment

Russia Is Making Progress

It would be wrong to conclude that Russia is doomed. Many policies - monetary policy in particular — are going spectacularly badly. Yet Russia enters this dangerous period with some real advantages. For all the hard words, Russia is not

facing the immediate prospect of a coup. There is little popular support for ending reform. Other ex-Soviet republics that shied away from reform as Russia plunged ahead notably Ukraine — have seeo living standards fall even further [than Russia's] Russia's reforms have undoubtedly brought hardship, but the lengthening bread queues in Ukraine have shortened people's patience with the anti-reform lobby.

in some ways the reforms are already producing worthwhile results. They have shifted economic powers decisively from the Kremlin to the regions, without - so

far, at any rate — posing any real threat to the unity of Russia. Microeconomic reforms are going rather better than most people believe. Thanks to the privatization of shops, restaurants and other small busipesses one-fifth of Russia's work force is now employed in the private sector. Sales of the bigger bits of Russian industry go more slowly, but the government has created the conditions for a huge clear-out of state assets over the oext six months. Privatization has become all but irreversible.

None of this will count for much if Russia succumbs to hyperinflation. The West can help by keeping up the flow of assistance. The most damaging thing the West could do is to starve Russia of new foreign capital while insisting that it pays its debts.

Reform is not dead. Russia can still be

saved from hyperinflation. But the West also needs to keep its mind on the job. - The Economist (London).

INTERNATIONAL HERALD TRIBUNE

KATHARINE GRAHAM, ARTHUR OCHS SULZBERGER

LEE W. HUEBNER, Publisher

IOHN VINOXUR, Ligitation & WALTER WELLS, News Editor & SAMUEL ABT, KATHERINE KNORR and CHARLES MITCHELMORE, Deputy Editors CARL GEWIRTZ, Associate Editor
ROBERT J. DONAHUE, Editor of the Editoral Pages REGINALD DALE, Economic and Financial Editor RENE BONDY Depute Publisher * RICHARD H. MORGAN, Associate Publisher
JUANITA I. CASPARI. Adventure, Sides Director * ROBERT FARRÉ Circulation Director, Europe

International Herald Tribune, 181 Avenue Charles-de-Gaulle, 92521 Neuilly-sur-Seine, France. Tel.: 111 46.37,93.00 Telex: Circulation, 612832; Production, 630698.

Innywar de la Publication: Reduct D. Sammas
Clauremen Jerry 1988 to 1982. John Her, Whitney.

Fallow for Ann. Moland Refambou. 3 Contention Rd. Sungapore 0511. Tel. 472-7768. Th. RSS4028. May. Dir. Asta. Roll D. Kramepald. 50 Glove exter Rd. Hong Kong. Tel. 8640616. Telesc 61170. May. Dir. U.K. Gurry Thorne, 63 Long Acre. Landon WC2. Tel. 8,86-4802. Teles. 262009. Gen. May. Germany. W. Lanterlandt. Freedoctor. 15, 6300 Frankfurthl. Tel 000) 726755. Th. 416721. Pers CA: Michael Conton, 880 Hurd Ave. New York, NY, 10022. Tel (212) 752-30801. Telec 427175
S.A. au capital de 1 2000000 F. RCN Nanterre B 732021126. Commission Paritaire No. 61337
1992. International Hendel Intrase. All rights reserved. ISSN: 0294-3052.



OPINION

How an Allied Coalition Could Beat Serbia

By George Kenney and Michael J. Dugan

WASHINGTON —Here is how the Balkan

V crisis may unfold.
It is late January 1993. President Bill Clinton decides it is in the American security interest to oppose Serbian aggression in the Balkans with force, in particular to permit the Bosnians to defend themselves.

His advisers believe there is a third option beyond the choices that former President George Bush claimed he faced - either doing nothing or sending in hundreds of thousands of ground troops. Mr. Clinton's advisers develop a three-step plan hased on the use of American

competitive advantages.

The first step is coalition building. The United States should oot act unilaterally — that was the mistake it made in Vietnam — yet the United Nations Security Council is deadlocked on the use of force, as is NATO. A coalition is possible only through ad boc arrangements.
Three allies, Britain, France and Italy, must be

included; they provide staging bases and a limit-ed oumber of air, naval and ground forces which support a U.S.-dominated air power operation.
The coalition arms and trains Bosnian forces, who conduct unconvendonal operations on the

who conduct inconvenional operations on the ground to recover their country.

Mr. Clinton persuades several allies to agree to this plan. Here, Russia is a key player. Were Russia to disapprove at the start, the coalition would still keep it fully informed, while leaving the door open for cooperation.

There is reason to believe that Russia could be allied into particulated.

be talked into participating. It has a natural interest in being seen as a player on the world stage in this peacemaking effort.

The second step is ensuring coordination with

UN operations and deliveries of humanitarian relief. UN personnel become Serbian targets, so the United Nations suspends its convoys. The UN operations are thus subordinated to larger war aims. But with the coalidon's support the armed Bosnians are as able as the United Nations to deliver aid. In addition, the United States drops food packages on refugee areas from planes flying above ground fire.

Bosnian forces create "safe haven" areas,

which help prevent the depopulation of Bosnia and save tens of thousands of lives. The havens also keep hundreds of thousands of refugees ont of Western Europe.

The third step is active belligerency, in two phases: first, destroying Serbian forces in Bos-nia, and second, using concentrated force against Serbia itself.

In phase one, the United States uses AWACS aircraft and F-15 fighters to establish visible allied air supremacy over all the territory of the former Yugoslavia. Next, Serbian heavy artillery and armored units in Bosnia are prime targets for air strikes. British and French infiltration teams deploy anti-battery radar to locate Serbian artillery positions near areas under siege.

From bases in Italy and from one carrier in the Adriatic, U.S. F-15s, F-16s, F-18s and F-111s systematically neutralize the Serbian artillery units with precision-guided bombs and missiles.
Using the Joint Surveillance Target Attack

Radar System (J-STARS), or other sophisticated monitoring systems, the United States finds Serbian armored units; fighter aircraft destroy them. Where necessary, A-10 ground-attack aircraft help escort Bosnian convoys carrying relief supplies. Lacking heavy weapons and facing a resurgent Bosnian force. Serbian forces begin to fall back.

At this point, the Serbian government in Beigrade could either up the ante or back off. Desperation, however, may drive the Serhs to test the coalition's resolve by sending new forces into Bosnia from bases in Serbia and Montenegro, hy renewing the conflict in Croatia, or by starting a diversionary war in Ko-sovo, or any combination of the above.

Such action would prompt phase two: U.S. aircraft and Tomahawk missiles destroy centers f gravity in Serbia.

The coalidon instructs Serbian troops to stay their barracks; if they do not, the coalition tracks their movements and hits them with air strikes. Technology using carbon-fiber strands can render useless Serbia's electricity grid, without destroying it, so that once hostilities cease power may be restored.

Other technology can turn petroleum products in refineries and storage tanks into useless jelly, without destroying the facilities. The co-alition destroys Serbian communication installations. At the same time it takes over Serbian airwaves to make its intentions to end the war clear to the Serbian people.

That is a war the Serbs cannot win.

Such an operation need not involve huge forces. This would be a joint air force-navy operation of moderate difficulty.

The United States would need, approximately: one carrier battle group with about 60 aircraft in the Adriatic; plus three AWACS, one J-STARS. five to 10 KC-135 tankers, 24 A-10s, 24 F-15s, 18 F-111s and 24 F-16s with assorted standoff and recision-guided weapons. The operation would not be free, but U.S.

costs in blood and treasure would be modest compared with the Bosnian trauma. Moreover, there are indications that, if asked, Saudi Arabia would be willing to consider paying a sub-stantial share of these costs. Other states would also likely contribute.

A win in the Balkans would establish U.S. leadership in the post-Cold War world in a way that Operation Desert Storm never could.

Mr. Kenney is o consultant to the Carnegie Endowment for International Peace. Mr. Dugan is a retired U.S. Air Force general and former chief of staff. They contributed this comment to The New York Times.

A Massive Violation of Human Rights

By Tadeusz Mazowiecki

N EW YORK — As a special rapporteur for the United Nations Commission on Human Rights, I have witnessed with horror the massive violation of human rights in Bosnia-Herzegov

na. Despite the presence of international officials and UN troops, the carnage continues.

This was the substance of my report last Wednesday to the United Nations. The situation cries out for international action to save lives while we still can. But the United Nations can act only if it has the support of its member states. Nothing can excuse the contempt for human

the disrespect for the most fundamental rights of human beings. Those vile words "ethnic cleanaing" are not simply the outcome. They are clearly the goal of those conducting this war.

For this reason the actions of the Serbian

nationalists pose a direct threat to the whole concept of human rights everywhere. The collected evidence leaves no doubt as to who is responsible for the horror: the Serbian political and military leaders in Bosnia-Herzego-vina, supported by the authorities of Serbia. The terrible suffering of the civilian popula-

tions, particularly the Muslims in Bosnia-Herzo govina, calls for coordinated action. Those held in detention camps must be freed and the camps must be closed. But before even this can happen, the International Red Cross needs assurances

from countries willing to receive these refugees.

There are too few such offers.

But first it is imperative to establish safety areas in Bosnia-Herzegovina under the control of UN troops. This would be only a provisional solution, but it is essential for the saving of lives. There is also an urgent need for considers to deliver hu-

manitarian aid to besieged villages and regions.

The simution is rapidly deteriorating, despite
the determined efforts of many individuals. I would particularly like to mention the role of the international press. For several months, at the risk of their lives, journalists from all over the world have revealed the truth.

The mobilization of world public opinion in defense of human rights is our best hope of bringing this tragedy to an end. I hope it will encourage our governments and the United Na-tions to take the measures so desperately needed.

The writer, a former prime minister of Poland, contributed this comment to The Washington Post.

Germany: Change the Slogan to 'Foreigners In!' ship. So the answer to the extremist cries of "Farely are out!" must be

HAMBURG — After the killing on Nov. 22 of three Turks in Mount, a little town much of here, the vast majority of Germans share the outrage of the civilized world against the cight-wing violence in their comtry. Politicians, the police and the public have finally been jolted into action, and there is a good chance

that justice will be done in Molin.
But all that will not be enough to neo-Nazi bullies, "Foreigners out!"

Naturalized residents would be a lobby for foreigners, watchdogs against discrimination, sought-after voters.

A recent fleed assessment of the syn in recesssary in German society: the readiness to make foreigners who have lived here for some time not merely resi-

dents but citizens.

To date, it is extremely difficult for people of non-German descent to acquire citizenship, no matter how long they have lived in Germany. In 1990, the latest year for which figures are available, only 20,000 of the 8 million foreigners living in the Federal Republic were granted citizenship.
This is due to ancient law rejecting

the homogeneous society that Germany ouce was. The law is no longer

By Christoph Bertram

acequate to the mixed society of to-day. As a result, foreigners in Germany live a halfway-house existence. Those who want to become fully intograted feel constant rejection; others refuse even to make the effort becanse it is without reward. And when right-wing violence

crupts, as it has in the past months, eign communities.

Large-scale naturalization of foreigners would, of course, oot remove xenophobia. France and Britain, which offer their nationality to anyone born on their territory and have, as a rule, fewer obstacles to naturalization of foreign residents, also experience violence against minorities. But the important difference is that these groups are citizens with equal rights. They are a lobby for foreign-

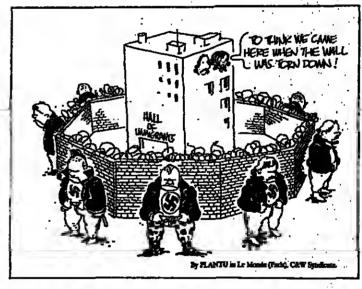
ers within the society, watchdogs relief fluctumination and sought-after voters, not just tolerated aliens. There are, fortunately, many in Germany who speak up for foreigners, and the horror over recent events has turned what was an all-too-silent majority into a vocal one. And, of course, there is Germany's small but vocal Jewish community. "The children of the pogram's victims are obliged to heep the memory alive,"
Ignar Bubis, head of Germany's Jewish Council, said recently, referring to
Nazi persocution. "The Jews were left
alone then, the public kept silent,
were indifferent and stood by."

nut all these voices, nowever wen-intentioned, are bound to be weaker roreigners in! Germany has given the 8 million aliens on its territory a stake in its when Turks are discriminated against than would be those of German Turks. In our pluralistic societies, general appeals to decency and tolerance rarely suffice; they need the backup

of dedicated groups within the plu-ralistic fabric. Imagine a United ers and however firm in its commitment to human rights, in which only WASPs had the right to full citizen-

material success. It must now give them a stake in the success of its democracy by making them citizens — for their sale, and for that of

dent for the German weekly Die Zeit. He contributed this comment to The New York Times.



South Africa: Both Developed and Undeveloped

JOHANNESBURG — The day is the off — say II months to two years — when South Africa will be led by President Nelson Mandela. Few well-informed white South Africans now doubt that. The question then will be what sort of a country the

new South Africa becomes.

In the political foreground, the overwhelming issue is the speed and nature of the move to majority rule. When and on what terms white su-premacy is to be ended remain the subject of tortuous negotiations that could yet collapse into violence.

In the background, a little noticed debate is under way on the future direction of the economy. The argument is over whether South Africa is a First World or Third World country. Can a country in which well more

than half the population lacks electricity be considered developed? asks one school of thought. But can an industrially advanced country that makes its own BMW and Mercedes cars be looked on as economically backward? retorts the other. The future international classifica-

tion is more than a statistical exercise. The direction South Africa's economic policies will take, and the country's ability to act as an economic dynamo for its desperately poor Southern African neighbours, will be affected by its international status.

The heart of the matter is whether South Africa should seek to join the Lome Convention — the European Community's trade-and-and pact with the developing countries of Africa and the Caribbean and Pacific regions. Derek Keys, a former mining mogul who is South Africa's widely respected finance minister, is in the vanguard of those who believe that reclassification as a developing country and either association with

By Giles Merritt or membership in Lome are the key

to a better deal with the EC. Support for such a downgrading of South Africa's international status comes from many directions. Officials in the African National Congress see Lome membership as a way of applying more EC pressure to hasten the appointment of a power-sharing interim government and the hold-ing of multiracial elections. Development experts grappling with South Africa's souring unemployment and runaway population growth see Lo-me membership as a way to switch

bor-intensive activities. The reclassification is said to hold out the promise of a wide range of other benefits, some probably real and others wholly imaginary. Advocates say that South Africa's access to EC markets would improve substantially. They also believe that the standstill of foreign investment would be ended if the country qualified for political risk guarantees by the World Bank's Multilateral In-

economic policies toward more la-

vestment Guarantee Agency.
Others, less well informed, argue that South Africa would become eligible for assistance from the Parisbased OECD, which groups the world's 24 richest countries but has no aid fuods to spend.

Bringing South Africa into an in-

Letters intended for publication should be addressed "Letters to the Editor" and contain the writer's signature, name and full address. Letters should be brief and are subject to editing. We cannot be responsible for the return of unsolicited manuscripts.

ternational political and economic framework such as Lomé has obvious attractions; not least, it would for-malize Pretoria's relations with Brus-sels. Nevertheless, the signs are that Lome would be the wrong road to take. There is less to be gained than at first meets the

first meets the eye.

Less than a fifth of mineral-rich South Africa's exports would stand to benefit from the more hundrum trade preferences that Lome offers. Pretoria would in any case have to negotiate special access arrange ments for its coal, sugar and fruit

The other side of the Lome question is that any bid by South Africa to join would unleash a barrage of pro-tests from many of the 69 developing countries that are already signatories. for these countries would be certain to see their shares of Lome spending diminish. After all, the South African economy accounts for some 60 percent of all economic activity on the continent of Africa.

The industries grouped in the in-fluential South African Chamber of Business have added their voices to those warning against reclassification. A recent report by the chamber warned that such a retrogressive step might cost the country more than it gains, in terms of both its interna-tional creditworthiness and its attrac-

tiveness to foreign investors.
Officials at the European Commis sion in Brussels are far from enthusiastic about the idea of extending Lome to include South Africa. They readily acknowledge the need to fun-ned development assistance to black South Africa's underprivileged and oeglected economy - which already receives small amounts of carefully controlled EC funds — but they dealt that Long is the right vehicle. The truth is that South Africa is neither a First World nor a Third

World country, or rather that it is both. South Africa's rich whites make up 17 percent of the population and account for 70 percent of the wealth, and those figures make it an exact microcosm of the weild at large. The key to South Africa's future is

that it is a special case and must forge its own unique relationship with the EC and the international community. International Herald Tribune

The Washington Post.

NEW YORK - The Times prints today [Nov. 29] the basis of Mr. Gladstone's Home Rule Bill to make Dublin to constitute an Irish Senate; appointed by the Crown; and to let all acts of provincial Parliaments and of the Irish Senate be subject to the

Trotzky have issued an appeal to all the beligerent Powers to come to immediate peace terms on the basis of no amerations and no indemnities and recognizing the right of peoples

to act for themselves. They fix De-cember 2 for the opening of negotia-tions for an armstice and general peace. They declare that if, at this date, the Governments of the Entente have no appointed representatives to co-operate in this effort for peace they will immediately enter and into negotiations with Germany hid conclude a separate peace.

LONDON — [From our New York edition:] Prime Minister Churchell, in a broadcast to the world compliated to the people of Italy instit was for them to say whether they wanted to mideson. if was for them to say whether they wanted to undergo a shattering Allied attack, which he promised them from the imited nations' new North African "spring-board." He suggested plainly that it was for the "gifted and once happy" Italian people to choose whether they would stand by Premier Benito Mussolimi and facean Allied offensive of which they have had as yet "only a small taste." had as yet "only a small taste."

Islam Isn't Marching To Bosnia

By Stephen S. Rosenfeld

WASHINGTON — There has been a dog that didn't bark a strange defining nonevent, in the Yngoslav crisis.

It is said, ominously, that a great-tidal wave of anti-Western feeling is, building among the world's Muslims as they ponder the Christian West's: failure to stop decimation of the prime European Muslim community in Bosnia. The perceived humiliation is likened to that suffered centuries ago in the Crusades, decades ago in the West's establishment of Israel and two years ago in a Western-led,

coalition's campaign against Iraq.

But why, then, has Islam not come,
more vigorously to the aid of embastled Bosnian Muslims? Why, for intled Bosnian Muslims? Why, for up-stance, have oil-producing Muslian, states not cut off Serbia's life-sustain-ing oil imports? Why have so few-arms and food cargoes evidently, reached Bosnia from amply provided. Muslim sources? Why have Islamic, volunteers not flocked to fight withtheir brothers in Sarajevo?

Where is Islam when the Bosnian Muslims really need it? When the West would be relieved to have others provide the rescue that it is palpably, not conducting itself?

not conducting itself?

Some Mushm aid has been sent.

Some arms, relief and mulitary volum. teers have got through. The totals, though, seem modest. There is no match between the promises in Islamic. rhetoric and the known deliveries. So far Islam has pretty much left the Muslims of Bosnia to their own inade-

Muslims of Bosnia to their own made-quate devices. Far from being a tiget, felam has been in Bosnia a pussyear, Some of the rage supposedly build-ing up as the result of Western power plays may exist less in reality than in the apprehension of Western colook-ers. There is a tradition, some of it. Arabist, some of it merely liberal, of

exaggeration of Islamic sensitivity to real or imagined Western injury. Still, the shortage of fellow feeling striking. It seems that Bosnia's Muslims are regarded as second-class Muslims only by the relatively brief (four-century) accident of Turkish conquest. Apparently they are not well accepted by the world Islamic community either ideologically, politically of — being Europeans and Slavs — eth-nically. This is ironic when you consider how their Balkan rivals keep insist-

ing that they are instruments of fundamentalist subversion.

In international disputes, the lislamic countries respond separately and mostly to national imperatives, the lamit the tony they tan master when one of them gets into trouble. The West capitalized on splits in the lamit the tony they have been considered in the lamit the lamit the lamit to the lami Islamic community in the Iran-Iraquand Gulf wars, crises in which first one Moslim state (Iran) and thea-another (Iran) were plainly becoming: a threat to others. A political calcula-tion also explains how external Mustim support was rendered to Afghans ... 80s. Countries of the region saw appointed

political and strategic threat in the thrust of Soviet power into Kabul.

There is no similar perception of There is no similar perception of political or strategic threat now. There is alarm, but no action about the possible spread of the war the Musim-inhabited Kosovo (in Section), Albania and beyond.

Some of the same states that were

stirred by the Afghan war now secmore of a danger in the leftover fundamentalist guumen who weit-recruited and sent to right in Al-ghanistan at that time, and in new-recruits to armed militancy. Egypt-and Algeria, to say nothing of Saudi

Arabia, do not want have gun-wilf-travel toughs rattling around in their own brittle societies. Struggling to cope with these di-verse post-Cold War Islamic outrents, the American government

The Pentagon is sometimes accused of inventing enemies. But the instability and unpredictability that it identifies as a source of peril man. the whole Muslim world. These soc-etics caught up in the toils of modeur-ization are the places that American

soldiers worry about most.

The State Department is accused of failing to get a grip on an exploding new reality. But it is rightly at paint to contest the confrontational view that Islamic fundamentalism is "the next ism confronting the West or

threatening world pence."

It may take further time to learn, whether contemporary Islam is, as State says, a "historic civilizing force." But the diplomats are smely right to underline that the Americanquarrel is not with religion but with address the phenomenon country bys: country, not as a unit or bloc.

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1892: A Plan for Ireland

Ireland a dominion divided into four provinces, Ulster, Munster, Connaught and Leinster, to let each province have its own House of Representatives, elected by manhood suffrage; to let each House elect a number of Life-Senators, to meet in to let each province have a Governor veto of the Governor until passed a second time by a stipulated majority.

1917: Lenin's Peace Plan

STOCKHOLM - Lenin and

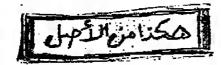
1942: Warning to Italy

* New Kill Wile- in Mafric:

ಹು _ಿ ELTERNIS NO. 1 Bar.

KC=_____

2002



Cameras Replacing

The tapes of each day's pro-ceedings can be purchased by anybody for \$10 immediately af-

ter court recesses. A typed court

transcript costs \$3 a page if the lawyer wants it within 24 hours.

Many judges and lawyers say the

videotapes are excellent tools for

studying courtroom perfor-

mance and comportment.
Judge Jonathan N. Harris of

the Hackensack, New Jersey,

criminal court says be bas

"learned to smile a lot more"

and, instead of slouching, sits up

There are drawbacks. For ap-pellate judges, playing back vid-eotapes is slower and more cum-

bersome than flipping through a it pourpier.

Intervene in Somalia: Can Do U.S. Military Planners See No Real Difficulty

not the Balkans, was based on three

important differences on the

far more favorable to an interven-

ing force. Somalia's arid plateaus have enough scrub to hide a sniper

or guerrilla squad, but few hills to

provide them cover from return fire

and no thick woods to conceal

The potential opposition force

is a disorganized collection of

combatants are competing for

power - looting and "taxing" the donated food that is virtually the

sole source of national wealth -

them from aerial surveillance.

By Barton Gellman

Washington Post Service
WASHINGTON — Military planners contemplating an Ameri-can-led intervention in Somalia several weeks ago: It would not be terribly hard.

The 1,800 Marines already on routine deployment in the Indian Ocean would most likely larnch the effort by landing north or south of Mogadishu and securing the capital's port and airfield. A division of air-transportable light infantry could then stream rapidly into that airfield and as many as seven other airfields in a country that is nearly the size of Texas.

The emerging plan calls for es-tablishing three or four large regional supply and security centers, along with roughly twice that many smaller distribution points. Once the strongpoints are secure, according to American officers, a United Nations force would not need to

worry much about supply lines.
Like other administration officials. American officers were not eager at first to embrace military action in Somalia. But they now see little alternative as violent chaos there starves thousands to death despite plentiful shipments of food.

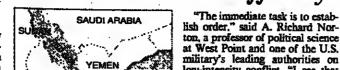
largely untrained bands with no 'I came over here thinking there demonstrated capacity for largewasn't a military solution; there had to be a political one," said Colonel Fred Peck, a Marine who is scale operations. Though capable of great violence against civilians, the Somali weapons — mainly assault rifles and rocket-propelled the senior member of the U.S. bumanitarian effort, speaking in a telephone interview from Mombathe heavy artillery, armor and modsa. Kenya: "But the situation is ern warplanes in the hands of Sersuch anarchy that a political solubian forces in Bosnia-Herzegovina.

• There is no grand Somali cause animating the conflict. Somalia's tion looks remote.

He predicted that armed Somali clans, faced with organized opposition, "would put up token resistance - maybe some mining and some sniping — and then with-

Months of public debate over the advisability of possible U.S. military involvement in another regional crisis — the Balkans — have highlighted the Pentagon's deep reluctance to intervene in such conflicts with less than an overwhelm-

Senior officers said their willing-ness to intervene in Somalia, but



military's leading authorities on low-intensity conflict. "I see that process as taking a couple of weeks. DIBOUTI More time consuming is to estab-lish a modus vivendi on the ground, and I see that as a process of months, certainly not a process of ETHIOPIA Military planners expect clan op-

position to collapse in short order because a large-scale intervention would deprive the clans of the looted food and financial tribute that allow them to buy ammuni-

"If we controlled the feeding centers and were no longer paying tribute to the clans, that's their power base," Colonel Peck said. "Out in the scrub of Somalia, once you take control of the principal towns and villages, the other guys are on the outside without the means to sustain their fight." Aside from Mogadishu, the most

important ports are Kismaayo and

Berbera. There are eight airfields with permanently surfaced run-ways. Two of the eight have run-ways suitable for the heaviest U.S.

■ U.S. Is Seeking Allies

President George Busb has launched a round of personal di-plomacy to persuade U.S. allies to join the aid force, the Los Angeles Times reported from Kennebunkgrenades - do not compare with

Officials would not say which foreign leaders Mr. Bush called. At week's end, officials in London and Paris were reacting cautiously to the Bush plan.

The White House said Mr. Bush was asking allies to contribute troops to the proposed military

but they lack a strategic purpose comparable to the "ethnic cleans-The White House spokesman, Marlin Fitzwater, said the United ing" of Yugoslavia's Serbs.
The Somali warlords, in this analysis, have sprung up to fill a vacuum of power. The Bush ad-States hoped to complete initial consultations with the allies and with the United Nations secretary-general, Butros Butros Ghali, beministration, in effect, is proposing to displace them with American and allied troops, then shift responfore the Security Council meets to sibility for managing affairs in So-malia to the United Nations. consider the offer, most likely **AMERICAN** typed transcript. To deal with this, New Jersey's experiment re-quires that appeals judges re-**TOPICS** ceive transcripts based on the videotaped records.

Short Takes

More American Indians identi-The Court Reporter fy themselves as Cherokees than as members of any other tribe, Eighteen states now record court proceedings on video camthe U.S. Census Bureau reports. eras, rather than having them Of the nearly 1.9 million Indians stenographically transcribed by court reporters. New Jersey is in the 1990 census, Cherokees numbered 308,132, followed by trying the system in hopes of ultimately replacing all 199 of its court reporters at a saving of about \$2.2 million a year. The Navajos, 219,198; Chippewas, 103,826, and Sioux, 103,255. Nearly two-thirds of the 542 tribes listed in the census num-New York Times reports. Two bered fewer than 1,000. The experimental courtrooms each smallest were the Siluslaw, at 44. have five cameras, plus microphones and recording equipment. Each system costs \$58,000.

Wild pursiane, a common gar-den weed, is a rich source of omega-3 fatty acids, U.S. Agriculture Department researchers have discovered. These nutrients are thought to keep the heart disease rate of Eskimos low despite their high-fat, high-cholesterol diet. The Eskimos get their omega-3s from the oil in the fish they eat. Purslane contains 10 times as much of it as spinach, another good source. Purslane also is an excellent source of Vitamin E. an antioxidant purported to fight the aging process. It even tastes good, with a mild, nutry flavor. Indeed, the French, famous for having low beart disease rates,

About People

Pamela J. Maraido has sucrameia J. Maraido has succeeded Faye Wattleton as president of the Planned Pareathood Foundation of America. Ms. Maraido, 45, had been chief executive of the National League for Nursing. A Roman Catholic, she says: "I believe in the use of contracention and an procontraception and am prochoice. I go in church on Sunday but do not subscribe to many of the basic tenets of the church. That does not mean I am any less

Joseph Hazelwood, skipper of the tanker that polluted the coast off Valez, Alaska, in 1989, has a gas station there named for him. Three entrepreneurs, flush with cash from working on the cleanup, are calling the place "Cap'n loe's." Said one of the partners, 'He made it all possible.'

Ross Perot, who finished a strong third in the presidential election, has been named one of this year's "10 Best-Dressed Shorter Men in America" by Bob Stern, president of Short Sizes Inc., a retail and mail order company that specializes in apparel for men under 5 feet 8 inches. 1.72 meter). Mr. Stern said Mr. Perot, at 5 feet 7 inches, dressed "like your practical everyday billionaire, but with an independent twang." Among other honorees this year are the actors Emilio Estevez and Billy Crystal.

Arthur Highee

Iraq Calls Embargo Key to UN Talks

use purslane in salads. They call

By R. Jeffrey Smith and Trevor Rowe Washington Post Service

NEW YORK - Iraq will negoti-ate on meeting United Nations Security Council demands when Western powers signal readiness to lift a global trade embargo against Baghdad, according to Deputy Prime Minister Tariq Aziz.

Mr. Aziz, after a week of consul-tations at the United Nations, said the council should take the first step, demanding in effect that the allies at least raise the possibility of an end to economic sanctions in place since the end of the Gulf

the Reverend Antoine Adrien, Fa-

ther Aristide's chief representative

Mr. Paul confirmed that inter-

Mr. Paul and diplomatic sources

dence had been offered as a meet-

ing place, but rejected by Father Adrien on the ground that it was

sponsoring the coup against Father

s for the two men had car

would take place "very soon."

War. The council has said Baghdad the council at this stage is scriously must move first in ending the dis- considering the lifting of sanctions.

in the stalemate that has marked its cerns to us and we can find a satis-relations with the United Nations factory compromise on both since the end of the war in early 1991. Mr. Aziz's comments provided the most recent signal that his government is not ready to comply with the UN cease-fire resolutions approved at the close of the war. because it foresees no tangible ben-efit as long as the United States, France and Britain insist on main-

taining the embargo. At the same time, the tone of Mr. Aziz's remarks Saturday was more conciliatory than in some previous public statements. He said, for example, that Iraq did not expect to regain the military power it had before the war, apparently the first such statement by a senior Iraqi official since the war.

Mr. Aziz also said the country close to the process. "Fear is proba- Prime Minister Marc Bazin, beharbored no ill will toward neighboring Turkey's part the economic cause the real power is with the blockade or providing assistance to forces that fought Iraq in the war. Evans Paul, the mayor of Portmained divided, but that there was au-Prince and a close Aristide sup-The past is past, and now the future is more important," be said. On relations with the United Na-General Raoul Cedras, the commander in chief of the army, and tions, Mr. Aziz said: "I'm not sure Iraq, stop the imposed isolation."

And when they start to seriously That seemed to leave Iraq locked consider, they can bring their con-

George Bush had been motivated by "a personal element" in insisting that the UN embargo be re-tained as long as President Saddam Hussein remained in power. Mr. Aziz said he was not sure what policy would be pursued by Presi-We hope that this element is

Mr. Aziz said he understood that British and French officials recently voiced caution about ending the

dent-elect Bill Clinton, but added,

embargo soon.

He played what Western diplomats have come to call the Iran card, in saying that the region was not as stable as it was before Iraq's military forces were reduced during the war over Kuwait. He said an objective analysis by Western powers, "without the prejudices of the conflict with Iraq," would prompt them "to stop the harassment of

Connecticut Tribe Sues, Seeking Land And Recognition

By Constance L. Hays New York Times Service

BRIDGEPORT, Connecticut In the beginning there were rocks and rivers, forests and meadows, comfields and deer. Now there is downtown Bridgeport, and the Golden Hill Paugussetts, an Indian tribe based here, want it back.

In a lawsuit filed this month in federal court, the 100-member tribe asserted its ownership of 88 acres (35.5 hectares) that include much of Bridgeport's core, including city hall, the main post office and the

Hi-Ho shopping mall. Citing violations of agreements made in the 18th century, first with the British and then with Americans, tribal leaders have proposed a settlement that includes \$750 million, the 80 acres of land, support for the group's efforts to become recognized by the federal government as an official tribe - and state permission to operate a casi-

A tall order, especially for an economically strapped city and state, but one that tribal leaders say they are entitled to after a history of poor treatment.

This is based on the value of the land," said Aurehus H. Piper Jr., known as Quiet Hawk, the tribe's

council chief. "I want the whole thing, all of it," he said. "Any white man in this

country with a billion-dollar claim would be as hard-nosed as I am." Some have wondered why any-

one would want anything in downtown Bridgeport, a tired industrial city that tried to declare bankruptcy last year. Others have scoffed at the tribe's claim, suggesting that its real goal is simply to open its own casino. Another Connecticut tribe, the Mashantucket Pequots, opened successful casino, near Ledyard, in February, and it has operated around the clock ever since, Various parties, including prominent Las Vepas developers, have proposed building casinos in Bridgeport as well.

But regaining its land has been a tribal priority for generations, Mr. Piper. 47, said. "It's something that has passed down, leader to leader," he said. "We have contiouously gone after our property, but we haven't had the money to finish it.

The tribe is very poor and small." Besides Bridgeport, the tribe is considering staking claims to other land it inhabited, before Europeans arrived, in Orange, Stratford, Mil-ford and Trombull.

The Golden Hill Paugussetts have existed "since time immemoaccording to the lawsuit, and now occupy two reservations in

Connecocut. One, covering about 107 acres in Colchester, was bought with a federal Housing and Urban Development grant in the 1970s, Mr. Piper said. The other, only a quarter-acre, is in Trumbull. Mr. Piper's brother, a tribal leader known as Moonface Bear, lives on the Colchester reservacion; his father, Aurelius Sr., whose Indian name is Big Eagle, lives on the Trumbull property.

Mr. Piper said he had tried to negotiate with Bridgeport officials, who forced him to file the suit. A lawyer for the city refused to comment on the case, which is pending. Several legal experts said that in the settlement of Indian claims, the bulk of the awards are usually paid the federal government, although state and local governments are required to contribute.

The tribe contends that agreements between its ancestors and London, as well as the fledgling American government, were re-peatedly violated. The first English colonists arrived in the area of what is now Bridgeport, where the Paugussetts were concentrated, in the 1630s. To resolve a dispute over property that arose in 1658, the tribe agreed to accept an 80-acre reservation in Bridgeport, which became known as the Golden Hill Reservation, the lawsuit states.

But by 1760, the reservation had been nibbled away by more and more settlers, prompting an investigation by a committee of the colony's assembly, said Bernard Wishnia, a New Jersey lawyer who is representing the Paugussetts. The investigation, completed in 1765, found in favor of the Indians but allowed the settlers to keep 68 acres, giving the Indians two lots totaling 20 acres along with some corn and a pile of blankets.

Most of the land subsequently was taken from the Indians by local officials, according to the suit, although federal law specified that that could not be done without the consent of Congress.

"The tribe therefore retains the title and tight of possession to the said land," the suit states. Among the several pages of defendants are dozens of individual and corporate property owners, as well as Mayor Joseph Ganim, Governor Lowell P. Weicker Jr. and the United States.

Only one case of a tribe's seeking to prove its status has ever gone before a jury, said Henry Sockbeson, a senior lawyer for the Native American Rights Fund in Washington. That involved the Mashpees, a tribe in Massachusetts, during the 1970s. The tribe lost.

Blacks Kill 4 Whites in South Africa

JOHANNESBURG - Blacks burst into a country club dining room and opened fire with automatic rifles and band grenades on elderly whites, killing 4 and woond-

ing 17, officials said Sunday. The attack took place Saturday night at a golf club in the southern sown of King William's Town. It appeared to be racially or politically motivated but is seen as an isolated incident.

Frederik W. de Klede's white government and the African National Congress, which are to meet this week, have made it clear that they want to push ahead with negotiations despite ongoing violence.

The attackers rolled grenades in, following up with automatic weap-ons fire, witnesses said, adding that the assault lasted less than a minute. There were about 60 people, mostly middle-aged and elderly whites, in the dining room and bar. were among the bar guests.

Raduc, said be and his wife were at the club when the attack occurred, just before 10 P.M. He said he saw three assailants. The police put the number at five.

The attack in King William's Town marked the fourth mass killing in South Africa during the weekend. The others included: A family of four whites was mur-

dered at their farmhouse Friday night south of Johannesburg. The police said robbery was the motive. Eight blacks were gunned down Friday night at a train station east of Johannesburg, an attack possibly linked to a local feud among rival black groups.

when a grenade exploded at a party in a house south of Johannesburg. President de Klerk's government described a "whole spectrum of violence," including "politically mo-tivated violence, taxi wars, armed cadres out of control and straightforward crime.

Six ANC supporters were killed

Haiti Hard-Liners Hedge Their Bets Fearful of Clinton, They Seek Talks With Aristide Aides

bly the ultimate motivator.'

tary leaders said that they re-

A source familiar with the mili- military.

By Douglas Farah

Washington Post Service PORT-AU-PRINCE, Haiti — Fearing that President-elect Bill Clinton will be harder on them, than the Bush administration has been. Haiti's hard-line military elected president they removed

Diplomats and analysts said the

a growing feeling among them that porter, said a meeting between the time had come to talk seriously

leaders are offering for the first with Father Aristide's representatime to meet representatives of the tives, in an effort to stave off what many here believe will be a strong from power here, according to dip-lomats and sources close to the tion to restore Father Aristide to effort by the Clinton administra-"What is being laid out to the army is that you have the opportsMr. Paul and diplomatic se mity to do something you do not said that the U.S. Embassy resilike now, before you are forced to

move was important because, for the first time, it signaled that at least some in the military were willing to consider the return from exile of the Reverend Jean-Bertrand Aristide in exchange for guarantees that current military leaders, including those who deposed Father Aristide, may remain in the army.

do something you really do not want to do two months from now," one diplomat said. "It is a window not a neutral site. Father Adrien of opportunity that should not be has accused the United States of sponsoring the coup against Father Father Aristide has long said be would not talk with the military-backed civilian government led by ther Aristide's followers.

"Fear of the unknown is what is pushing them," said one diplomat

WHO Sees Need The club is integrated, and blacks To Increase AIDS A member of Parliament, Ray Funds 20 Times

The Associated Press GENEVA — The World Health Organization said at least 20 times more money must be spent on AIDS prevention in developing countries if there is to be any hope of slowing its spread.

In a message prepared for release on Monday ahead of its World AIDS Day on Tuesday, the UN agency warned of the economic costs of the as yet incurable disease, which kills people in their prime and is spreading "virtually un-checked" in many parts of the Third World.

Prevention focuses on promoting safe sexual practices. WHO said developing countries needed at least \$2.5 billion annually so such programs can "make a difference."
Last year some \$120 million was
spent, it said.

"We believe the developed world should be a major source of those funds," said Dr. Michael Merson, head of WHO's AIDS program.

WHEN

THE ARPORT

MINUTES AWAY

PREPARING

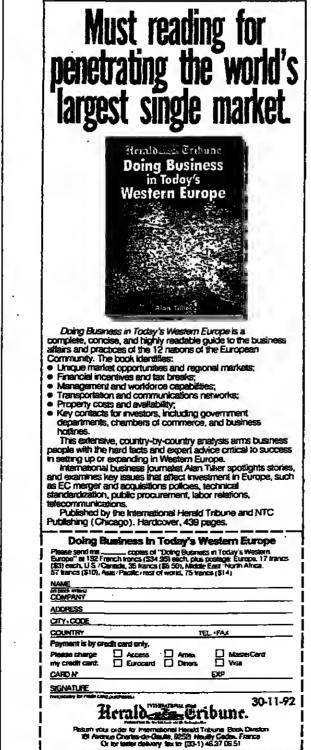
FOR A FLIGHT

TAKES ON

A WHOLE NEW PERSPECTIVE

AMARI

......





Gulf Air, in co-operation with TWA. American Airlines and United Airlines, now connects you to the Gulf, through the European gateways of London, Paris, Amsterdam, Frankfurt and Athens. From Europe we offer frequent non-stop flights to the Gulf, with convenient onward connections within the

Gulf and beyond to the Indian sub-continent, the Far East and Australia

Whether you choose to fly first, business or economy, you'll travel in comfort and style, enjoying our traditional hospitality.

It's all part of the experience of flying, Gulf Air style.



FOR MORE INFORMATION ON ROUTES AND SERVICES, CONTACT YOUR LOCAL TRAVEL AGENT OR GULF AIR RESERVATIONS (TOLL FREE) 2 800-223-1740.



أختتم أسا

EXPERIENCE HA DIFFERENCE

Pa

Bosnians Tell Wiesel

Meeting Barred With Murderers

Compiled by Our Staff From Disparches SARAJEVO — President Alija Izetbegovic of Bosnia-Herzegovina rejected on Sunday a proposal by the peace activist Elie Wiesel to meet Serbian leaders in Paris, calling them "the murderers of our children."

Mr. Wiesel, visiting detention camps in Bosnia and checking reports of human rights violations in the former Yugoslavia, suggested a meeting involving Radovan Karaz-dic, a leader of Bosnian Serbs, and President Slobodan Milosevic of

Mr. Izetbegovic replied: "This is not an ordinary war, this is geno-cide. You can meet your enemy, hut you can't meet the murderers of your children. Our people see murderers in them."

Mr. Wiesel, the winner of the Nobel Peace Prize in 1986, replied: "Mr. President, they say the same thing. That is the biggest problem."
As shells burst and machine-gun

fire rattled not far from the presidency building in the besieged city, Mr. Wiesel accepted a book detailing alleged atrocities against the people of Sarajevo, but said it was too early for him to comment or form conclusions.

In other developments: Heavy fighting was reported between Croatian and Serbian forces in Bosnia just a few hours before a cease-fire deadline.

The Belgrade-based Tanjug news agency reported that Croatian army units attacked Serbian posi-tions around Orasje and Breko overnight Saturday and stepped up the attacks on Sunday.

 NATO warships intercepted the first vessel caught breaking the UN embargo imposed on Serbia and Montenegro, and escorted the Maltese-flagged ship to an Italian port, a NATO spokesman in Naples said.

 A United Nations war-crimes commission decided to dig up a cornfield near Ovcara, Croatia, that investigators say could be a mass grave. Officials say the field could hold the bodies of 300 people believed to have been killed by Serbian forces in November of last

The investigators say they believe that the cornfield is a mass grave for civilians and Croatian soldiers who were all taken from a hospital after the fall of nearby

Vukovar to Serbian forces (Reuters, AFP, NYT)



Muslim refugees doing laundry on Sunday in a camp at Travnik, Bosnia-Herzegovina.

KOHL: Chancellor Vows to Step Up War on Rightists

(Continued from page 1) unions and workers to accept low

wage increases. In Bonn, leaders of parliament's four major political parties failed to agree on how to limit the ability of refugees to enter Germany, About 500,000 refugees are expected to take advantage of Germany's liberal asylum law this year.

Although all major German parties have agreed to scrap the consti-tutional guarantee of asylum and replace it with a more restrictive law, they remain at odds over how to do it. Some opposition Social Democrats want Germany to replace the asylum system with immigration quotas, a goal rejected by Mr. Kohl's Christian Democrats.

. ■ 4 Held in Madrid Slaying nessed the attack said four youths Hundreds of people attended an anti-racism rally Sunday in a Madrid suburb, a day after the police arrested four youths in connection with the death of a Moroccan im-

migrant attacked in the suburb ear-

lier this month, The Associated Press reported from Madrid. It was the second killing of an immigrant in Spain this month and sparked fears of a rise in racism

broughout the country. News reports said the police ar-rested four youths Saturday in connection with the death of Hassan Yahahaqui, who died nine days after he was attacked Nov. 14 in the suburb of Majadahonda.

repeatedly beat Mr. Yahahaqui afpushing him to the pavement. He died nine days later in a hospi-

The arrests followed those Friday of a member of the Civil Guard and three minors for the fatal shooting Nov. 13 of Lucrecia Pérez, an immigrant from the Dominican Republic.

The guardsman and three minors implicated in Miss Perez's death were questioned Sunday by an investigating judge to establish whether they acted in conjunction with some extreme rightist group. Miss Pérez's death triggered a series of demonstrations against Residents of the suburb who witracism and xenophobia.

Asylum-Seekers Put Austria in a Bind

By Craig R. Whitney
New York Times Service

VIENNA - The resplendent capital of an empire that collapsed three generations ago, Vienna since the end of communism in Eastern Europe is again a city in fear of being sucked into social and economic turbulence in its former imperial possessions.

For Chancellor Franz Vranitzky, now in his seventh year in office. the solution still lies in Austrian membership in the European Community, which now has 12 mem-

But Europe shares many of his country's problems in coping with an influx of asylum-seekers and refugees from fighting in places like Sarajevo, where the demise of the Hapsburg Empire began 80 years

"I believe Austrian entry is still a good idea," he said in an interview in his office across the street from the vast Hofburg Palace in the city center that was damaged by a fire

on Friday.

Mr. Vramitzky, discussing Europe, said, "I'd like to hope that the process of European integration helps, and that individual countries aren't all left to their own national

scale in Germany, where an esti-

devices to cope with the problem." The basic problem, he said, is "political instability and low living standards in one half of Europe, and higher living standards in the The effects of this division on Austria have been feli on a larger

mated half a million asylum-seekers and half as many war refugees from the Balkans have streamed into the country and caused a rightist backlash. So far, the Austrian backlash has included little of the neo-Nazi vio-

afflicted its larger neighbor.
But Jewish cemeteries have been desecrated in Austria, as well, and a conservative politician named Jörg Haider has been making inroads. Now Mr. Haider is pressing shead with petitions for a national referendum on his 12-point pro-

gram for ending foreign immigra-

lence against foreigners that has

tion and keeping the proportion of foreign children in public schools below 30 percent.
"We were the first to see this problem," said Mr. Haider, 42, the head of the Austrian Freedom Par-

His pressure has worked. In June 1992, the Austrian government put more difficult for East Europeans fleeing economic problems to get into the country as applicants for asylum and tightening the border controls with Hungary. The Hungarians also agreed to take back migrants rejected at the Austrian

In the first nine-and-a-half months of this year, only 15,155 nearly 4,500 refugees from the fighting in the Balkans, from which 39,961 more people have also sought and received temporary

shelter in Austria. On Nov. 17, the Austrians temporarily admitted 175 other Muslim war refugees from Bosnia after the British government refused to accept them, despite pleas from a British charity organization that

had arranged their escape.

For Mr. Haider, whose party nearly doubled its share of the national vote, to 16.6 percent, in the last general elections two years ago, the government's measures have

officially tolerated foreign "guest sisted on before starting negotia-

staying here illegally.

Mr. Haider says the real number of illegals is twice as high.

"Austrians don't want to feel like strangers in their own country," he said. According to a recent Gallup Poll that showed that 76 percent of the people of the country opposed letting in any more foreigners, many Austrians seem to agree with

The chancellor said the refugee problem was far beyond Austria's ability to solve alone. But he hoped that Austria's application for membership in the European Community would be acted upon soon after ot been enough.

Jan. 1, even though the precondition that the EC had originally in-

asylum-seekers registered in Austria, compared with 27,000 in all of 1991. This year's figure includes estimates that 100,000 more may be and Britain.

Dismissing Mr. Haider as a "populist," Mr. Vranitzky, who is 55, spoke diplomatically about the damage done to Austria's image abroad by the six-year presidency of Kurt Waldheim, the former United Nations secretary-general who concealed details of his past as German officer in the Balkans in World War IL

Mr. Waldheim's term ran out last spring, when Thomas Klestil was elected to replace him. "With the countries that took exception to him, rightly or wrongly, the sima-tion can only improve," Mr. Vran-

ISRAEL: Agonizing Over a Response to Neo-Nazism

(Continued from page 1)

many Audi and Mercedes cars on the streets and Braun coffee makers

Israelis routinely do business in Germany and go there for tours and study. Their government dealt with the then-divided Germanys almost from the founding of Israel in 1948. It had formal relations with West Germany beginning in 1965. After the United States, Germany is Israel's most important trading

partner, with exports and imports last year totaling \$2.8 billion. Still, for just about everyone, business stops at the Nazis' door. And nervousness about recent events turned to revulsion for many this weekend when Israel Televi-

report that juxtaposed shots of Nazi-saluting modern youths with scenes of Auschwitz.

"We at land understood that this is not a fringe occurrence but something demonic that is happening in Germany," wrote Yosef Lapid, a columnist for the newspaper Ма'апіч.

Moshe Katsav, a leader of the opposition Likud party, said Israel should sever diplomatic relations if the Nazi revival is not squelched. At the cabinet meeting, Health Minister Haim Ramon argued that Israel should at least bring its ambassador home from Bonn for con-

sultations as a form of protest. On the radio Israelis beard the German ambassador to their country, Otto von der Gablentz, cantion for itself.

against boycotts and other attempts to "isolate Germany," no matter how understandable their sensitivity may be.

"I do understand emotional reactions," the ambassador said. But be added: "Isolation helps those who do not want to have an open society, who do not want to have a

And perhaps inevitably, as with so many issues in Israel, this one had an echo in the Palestiman con-

Speaking with reporters in Gazz on Saturday, Haidar Abdel-Shafi, . head of the Palestinian delegation to the Middle East peace talks, said that although neo-Nazism should be eliminated, he felt Israel was

PARIS: Planning a Revival for the Champs-Elysées

pose the so-called golden triangle, with the Champs-Elysées as its pinchbeck third side.

Mr. Cazeneuve says that when he asked Jacques Chirac, the mayor of Paris, to make a program to revive the Champs-Elystes, Mr. Chirac was sympathetic, but had ear-marked funds for the desolate east of Paris rather than its wealthier west. "I said the Champs-Elysées is neither east nor west but the center -a place that means something to the memory of the entire world,"

Mr. Cazeneuve says. lts meaning may be mostly symbolic. The historian Louis Chevalier wrote in 1961 that the Champs-Elysées never was a center. "This triumphal way leads away from the center," he said. "It is too long, too wide, too straight. And it slopes

To some, the new program is' bert, said that Mr. Chirac's deputy

simply a cosmetic coating intended to prop up real estate values, like the Christmas lighting paid for each year by local merchants.

When the Mission has transformed the Champs-Elystes from the Rond Point to the Etoile, Mr. Cazeneuve says, there will be 3.5 more hectares (about 8.6 acres) of pedestrian space. Although he dreams of elegant promeneurs and new grand hotels and fine restaurants, be says his group's goal is cultural and not commercial. "We have a lot of ideas," he said. "The Botero exhibit is an example of what can be done."

The open-air show of 31 monnmental bronzes by the Colombian artist Fernando Botero, between Concorde and Rond Point, has been attracting enormous weekend

Mr. Botero's dealer, Didier Im-

for environmental affairs had told him, "If you can get us Botero, we can get you the Champs-Elysées."

Mr. Botero, whom Mr. Imbert praises for his intelligent commer-cial sense, was willing, and the city paid for the installation, lighting and guards. Mr. Imbert says he forked out 10 million francs (about \$1.85 million) from his own pocket, which he should recoup in publicity and sales of T-shirts, posters, postcards and pins. "Not many people can afford a Botero, but anyone can buy a postcard," be says.

Mr. Imbert thinks the outdoor show will improve what Mr. Chirac has called the tarnished image of the Champs-Plysées. Certainly it has brought happy throngs as well as a few of the people the Mission hopes to eliminate. Already someone has stolen a standing figure's cane and the whiskers off the Bo-

Germany's leading national daily and business newspaper

Frankfurter Allgemeine

Erstmals Teilnahme der UN an den Gesprücken über einen Frieden im serbir chen Tries

Frankfurter Allgemeine Zeitung P.O. Box 10 08 08 · W-6000 Frankfurt am Main 1 Fax 69/75 91-21 83

Thin, Flat And Elegant: The IHT Personalized Pocket Diary Puts 1993 Right Into Your Pocket.



 Gilt metal corners. Measures 8 x 13 cm

(51/ex 3 in.). Quantity discounts are available.

 Plenty of space for Week-o₁-a-glance

· Personalized with gold initials (up to 3 at no extra cost).

 Includes a removable address book. No need to re-write your most important phone numbers the address book will fit right into next year's diary.

Notepaper sheets fit on the back of the diary — a simple pull removes top sheet. Refill sheets included.

Year after year — even at a period when diaries abound — the International Herald Tribune flat, silk-grain leather diary is the hit of the season.

Ingeniously designed to be thinner-thanthin, it still brings you everything . . . including a built-in note pad with always-available "jotting paper". Plus there are conversion tables of weights, measures and distances, a list of national holidays by country, a wine vintage chart, and many other useful facts. All in this incredibly flat little book that slips easily into a

The perfect gift for almost anyone . . . including yourself.

- Please allow three weeks for delivery.

	1-Herald Eribune.					
	Karen Diot, Special Projects Division, 181 Ave. Chde-Gaulle, 92521 Neurlly Cedex, France. or fax to: (33-1) 46 37 06 51					
ı	Payment is by credit card only. All major cards accepted.					

(Please note that French residents may pay by check in French francs. We regret that checks in other currencies cannot be accepted.) ___ 1993 HTT Pocket Diaries.

Price includes initials, packing and postage in Europe. 1 - 4 diaries 180 F.F. (U.S.\$33) each 5 - 9 diaries 170 F.F. (U.S.\$31) each 10 -19 diaries 145 F.F. (U.S.\$26) each

Additional postage outside Europe 35 F.F. (U.S.\$6.50) Check here for delivery <u>outside Europe</u> by registered or certified mail: 85 F.F. (U.S.\$16)

Please charge to my credit card: ☐Access ☐Visa ☐Amex ☐Burocard ☐Dimers ☐MasterCard

A New

Industrial

Power Base

In Bahrain

Quality and Quantity: A New Era for Aluminum

Aluminium Bahrain (ALBA) has now completed a major smelter-expansion project, which will provide an additional annual production capacity of 235,000 metric tons. A new 800-megawatt power station has also been built.

The ALBA smelter now has some of the latest high-tech, automated-process systems in the world for making aluminum. ALBA metal will be sold to Asia and Europe as well as to the Middle East.

The completion of the \$1.5 billion expansion to the ALBA smelter marks the dawn of a new era of industrialization for Bahrain, one of the smallest states in the Gulf. With an overall production capacity of 460,000 metric tons a year of high-grade metal, ALBA now is one of the largest and most environmentally friendly smelters in the world. The expansion has included the upgrading of existing facilities and the construction of an entirely new,

one-kilometer-long (0.62-mile-long) potline, containing 288 reduction cells ("pots"), in which the metal is made.

ALBA uses the latest French Aluminium Pechiney technology for producing the aluminum from Australian alumina oxide and special know-how from Norway's Asea Brown Boveri Flakt Norsk Viftefabrik to protect the

Power for the electrolysis process to make the metal is obtained from an additional 800-megawatt, combinedcycle power station costing nearly \$500 million. The new power station uses almost unlimited natural gas from Bahrain's Khuff Field as a primary energy source. Waste heat generated by the gas turbines in the power station is

used to produce steam, which drives steam turbines. Surplus power will be fed into Bahrain's national grid-distribution system (see related article,

Special attention has been paid to making the smelter as environmentally safe as possible for both the 2,300 workers in the plant itself and the outside atmosphere. More than \$180 million has been spent on treating fume emissions from the aluminum-making process one of the largest chvironmental contracts ever awarded in the industry

(see related story, page 10). The construction work on the ALBA expansion project has had a major impact on the local economy and human resources. and it will continue to do so as new downstream ventures using aluminum as a primary metal come

into operation. At the peak period, more than 5,000 persons were working on the site.

ALBA has undergone a continuous period of expansion since its beginning in 1971, when it had only two potlines and a 360-megawatt power station. Production that year was a mere 10,000 metric tons. During the next 10 years, it increased to 170,000 metric tons per year with the addition of a third potline. By 1990, production and power output rose still further, and new technology was introduced, boosting metal output to 205,000 metric tons

Anticipating a window of opportunity in world alumi-num markets during the mid- to late 1990s, the government decided to go ahead with its most ambitious plan for ALBA — to double production to 460,000 metric tons per year and increase total power-generation capacity to 1,340 megawatts. The government also wanted to make Bahrain a "pole of attraction" by providing more primary metal for downstream export industries.

"ALBA has had its fingerprint on the economy of the island, especially during the last two years, in spite of the Gulf crisis," says Habib A. Kassim, minister of commerce and agriculture and deputy chairman of ALBA. "It has kept our economic motivation going, and it was a kept our economic motivation going, and it was a that if it had decision to go ahead. Bankers have told me that if it had not been for ALBA, it

would have been very bad for them as well as for other Bahraini business executives. Here, we are all part of ALBA."

The foundation stone for the new potline was laid on March 6, 1990 --four months before Iraq invaded Kuwait - by Sheikh Khalifa bin Salman Al Khalifa, the prime minister, who unveiled a specially made sculpture in aluminum. The \$650 million loan facility for part of the financing was signed only two weeks before Kuwait was occupied - but the project never

Just after the war to liberate Kuwait began in January 1991, Yousuf A. Al-Shirawi, minister of development and industry and chairman of ALBA, visited the site one evening. Describing the scene, he says: "It was amazing.

faltered.



People were still working although ALBA was regarded as a prime target for Saddam Hussein's Scud missiles. I found no fear there among the workers who remained some Europeans left, but the Americans stayed on. We had enough skill and ability to carry on the work, and not

a day was lost." Gudvin K. Tofte, ALBA's chief executive, never even considered stopping the project. Mr. Tofte, a Norwegian who has been instrumental in developing the smelter

The smelter expansion cost \$1.5 billion and marks a new era of industrialization

since he came to Bahrain 20 years ago, admits that keeping the expansion work going was a close thing at times because of cash-flow difficulties.

"We had to go around with big smiles on our faces just to keep the contractors happy," says Mr. Tofte. "We had to spend a lot of time shopping around the Bahrain banks for bridging finance until the first drawdown of funds from the loan took place early in 1991, after the liberation

of Kuwait. That moment did not come a day too soon we had used up all our money,"

Abdulla H. Saif, governor of the Bahrain Monetary Agency, adds that the fact that the international financiers and backers of the project did not waiver reflected the confidence that they all had in Bahrain as an institution. "That was most important for us," says the gover-nor. "We have never had the slightest problem in obtaining extended credit for ALBA.

The only interruptions were for the delivery of some items of equipment because ports in Bahrain and the Gulf were declared a war zone. Apart from shipping delays, insurance rates became prohibitive. The expansion program and power-station construction meant a massive logistics exercise for the contractors, with the transporta-tion of materials and equipment — and the transfer of technology — coming from more than 20 countries as far apart as the southern tip of New Zealand and the northern regions of Norway.

More than 26,000 metric tons of steel were brought in

Continued on Page 18

A Look at That Extra 'i'

Akuminum or aluminium? In the United States, the word is "aluminum." Across the Atlantic, it becomes "aluminium." There is an extra "i," and the accent shifts from the second syllable to the third. Why? The word was conceived in 1812 by the English scientist Sir Humphrey Davy, who pioneered the iso-lation of the element. He related it to "alum," a mineral salt that had been used since ancient times in tanning, dyeing and medicine. Davy first tried "alu-mum" as a name for the new metal, then moved to "aluminum." The extra "i" came about 20 years later, inserted by wordsmiths who wished to give the word a more "classical sound" and to make it harmonize with "sodium," "potassium," "magnesium" and oth-

The decisive supporter for the new spelling on the European side of the Atlantic was a French scientist, Henri-Etienne Sainte-Claire Deville, who in 1854 came up with a practical way to produce the metal chemically. He was also responsible for naming aluminum ore "bauxite," after Les Baux, near Arles,

France, where quantities of the oxide were found. The extra "I" failed to conquer America, where the word remains "aluminum." In this section, the word "aluminium" is used only in proper nouns or in Ken Mackenzie



BUILDING SERVICES DIVISION

Airmech have been involved in many prestigious projects in Bahrain and the Gulf, responsible for complete design and construction of air conditioning, electrical, plumbing, and fire protection

ENGINEERING AND INDUSTRIAL DIVISION

The Engineering and Contracting Division provides a complete service to the rapidly expanding Industrial Sector, including Design Supply, Fabrication and Installation facilities either as a main Contractor or as a Sub-Contractor to International Companies. This includes supply and erection of Structural Steel and Aluminium.

INDUSTRIAL PROJECTS

Some of the major Industrial Projects executed by Airmech in ALBA with International Companies include Raw Material Handling, New Rodding Shop, Fabrication of Busbar Assemblies and Anode

Other works included supply and installation of various Furnaces and Cooling Booths. Also Airmech executed all works relating to the Potroom Electric's, Highbay Lighting and Integrated

A major contract in ALBA for Airmech has been the Fume Collection Sub-contract for the Mechanical and Electrical Installations.

Contact: Suital Matlob, Managing Director, Airmech Eastern Engineering W.L.L. P.O. Box 20137, Managas, Bahrain. Tel.: 593013 Fox.: 593113



Ahmed Ghuloom, pot-room superintendent, joined ALBA as a laborer when it began in 1971 (See page

This advertising section was produced in its entirety by the supplements division of the International Herald Tribune's advertising department. • Heidi Ellison, a free-lance journalist based in Paris, writes for a number of publications. • Michael Frenchman is a free-lance writer based in London who specializes in the Middle East. • Paul Millbank, based in London, is the editor of Metal Bulletin Monthly. Ken Mackenzie is a Paris-based journalist. • Pamela Ann Smith, based in London, writes often about Middle East topics.

Table of Contents

Page 7 Aluminium Bahrain: A Dramatic Expansion Project. Aluminum or Aluminium? That Extra "i." Downstream Industries: Adding Value to Aluminum. Transporting Materials: The Logistics of a Nonstop Operation.

Making Aluminum: A Powerful Lightweight Household Uses: Where Would We Be Without It?

Page 10 Potline No. 4: Nothing But the Best. Environment: Recycling the Resource. French Railways: Aluminum Adds Speed to New TGV. Techmo Car: 'Smart' for Comfort and Safety.

Page 11
New Power Station: A \$525-Willion Deal. Cars: Taking the Light Road.

Page 14 A Multipurpose Chairman: Yousuf A. Al Shirawi. Man for the People: Chief Executive Gudvin K. Tofte. How It Began: The White Elephant That Wasn't. Page 15

Recruitment and Training: Tapping the Brain Bank. Moving Up the Ranks: Profile of an ALBA Employee. Marketing: Balco Lends Muscle to Sales

Global Outlook for Aluminum: Gulf Takes Center Stage.

Aircraft: The Lightweight Takes Off. Page 17 Plant Builders: More than 400 Companies Involved in Expansion. Local Contractors: \$350 Million Worth of Business. Recycling Aluminum: Easy, Cheap and Profitable.

Page 18

Financing the Expansion: An International Effort. Insurance: Arig Covers Bahrain's Largest Risk. Promotions Office: Targeting Foreign Investors. Design: From Clothing to Dinnerware.

Deck berex 9-to-Stock tive, chan Mideve to 6% to for the and try p C getting Sach weight said at Kin Th

ADVERTISING SECTION

Adding Value To Aluminum

There is more to aluminum in Bahrain than just the smelting process. Since the pouring of the first ingot by the Emir, Sheikh Isa Bin Salman Al Khalifa, in May 1971, a whole new downstream industry has been created the largest of its kind in the Gulf.

"We have the money, the labor, the raw material and the power. We must make the best use of these," says Ahmed Al Khajah, a prominent Bahraini businessman and chairman of Al Khajah Establishment and Factories.

A typical Bahraini trading group with diversified interests, including contracting and many agency representations, Al Khajah Establishment and Factories has also been involved in an electrical works contract z ALBA worth 600,000 Bahrain dinars (\$226,000). The group is about to start up a new factory to make cathodic protection devices (transformer/rectifiers) for the oil, gas, petrochemical and water industries; the devices help prevent corrosion to pipes and storage tanks. The group will use aluminum from the smelter as a primary raw material. The new factory will be the first of its kind in the

New auto-wheel factories in the works

Middle East. It represents a step forward in high-tech industrial manufacture for the island, as do two new auto-wheel factories. One will start production shortly; plans for the second are still being finalized. Another development is the recent formation of Gulf Aluminium Industries (Gaico), which will build a new production unit at the Bahrain Aluminium Extrusion Co.'s plant.

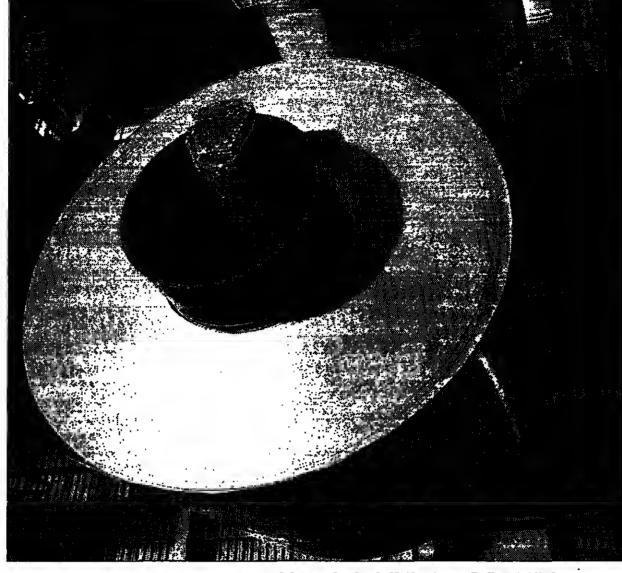
The downstream industry has now become one of the backbones of the local economy and a vital factor in the island's industrial diversification away from an economy based on finite hydrocarbon reserves (its oil will run out in about 30 years).

The latest venture, in conjunction with a German company, is an auto- and truck-wheel factory, which will manufacture lightweight wheel castings for export to Europe - a major step forward for Bahrain's industrial diversification. A second joint-venture auto-wheel plant is likely to go ahead with a South Korean company.

One of the first downstream industrial ventures to be set up was Midal Cables in 1977. It manufactures about 50,000 metric tons a year of aluminum rod, overhead conductors and cables for the power industry. When new supplies of aluminum are available from ALBA, production is expected to expand to 90,000 metric tons a year. It has now started a joint-venture factory — Aluwheel — with the German company BBS Kraftfahrzeugtechnik of Schiltacb to make wheel castings, Al Zayani Investments, which owns 51 percent of Midal Cables, is also the major

Khalid Rashid Al Zayani, one of the island's leading entrepreneurs and chairman of both the investment group and Midal Cables, has an eye on future develop-

"One of the things we have been looking at for Midal is making aluminium tubing for use mainly in car radiators," says Mr. Al Zayani. "We are already trying to market the tubes to manufacturers in France, Germany and even Japan." He is also looking at other possibilities



This coil of sheet was hot-rolled from a 10-ton slab ingot by the Gulf Aluminium Rolling Mill Company (GARMCO) in Bahrain, one of the many downstream industries in the country.

for using aluminum-based components for the auto industry; these include pistons and cylinder heads.

The new Aluwbeel factory, located alongside the cable factory adjacent to the smelter, will be producing half-amillion wheel castings a year starting this December.
"Our eventual target will be 1.5 million a year when we go into full production," says Mr. Al Zayani. The plant, which will have nearly 70 Bahraini workers, will use about 5,000 metric tons of aluminum in the first year.

"We are going to produce a really good-quality wheel at a very competitive price," he says. "We are not going to let the price element affect the quality." One of the first customers will be Germany's BMW factory. According to Mr. Al Zayani, his German partner BBS is planning to move part of its research-and-development unit to Bahrain. "This will give us a new engineering technological advantage for the future," be says.

Bahrain scored another first for the aluminum industry in the Gulf with the formation of the Bahrain Aluminium Extrusion Co., which is 100-percent government-owned. Balexco began production in March 1977 following a feasibility study and cooperation agreement for seven years with Alusuisse. Its first customer was a local company, Al Zamil Aluminium.

The factory was originally built with a designed capac-

ity of 2,700 metric tons a year and an anodizing capacity of 2,200 metric tons. The latter is now done by one of the Al Zamil factories. Balexco was expanded in 1980 and again in 1983, giving it a capacity of 6,000 metric tons a year of extrusions. In 1980, it also obtained a license to produce the Technal range of products, which enables the smallest factory to manufacture highly sophisticated, architectural structured extrusions using simple kit-form tools. Today, the factory makes a wide range of products, including flagpoles, lighting columns, goal posts for foot-ball and handball, bus-stop shelters, telephone booths, doors, windows and balustrades. "Now we are looking at expanding again and diversifying our product range," says Ali M. Al-Abbasi, Balexco's technical manager. One project still at the planning stage is a joint venture with an Italian group, which would use some 15,000 metric tons of aluminum billets a year.

Balexco is also looking at a joint venture with a Korean group to establish an auto-wheel plant, Balenco would have a 15-percent share, and the factory would use up to 30,000 metric tons of ahuminum a year. The wheel plant would create up to 100 new jobs, in addition to the existing 270 at Balexco's extrusion plant. If the extrusion plant were expanded, another 40 workers would be needed. At present, 84 percent of the labor force is

Bahraini. A powder-coating factory is also under review, and another project to manufacture aluminum handles and fittings for doors and windows is being studied.

The first downstream industry was being planned even before the ALBA plant was completed in 1971. This was Bahrain Atomisers International, one of the few companies in the world manufacturing atomized aluminum powder. BAI started production in May 1973. It was originally a joint venture with Johnson and Bloy Holdings of Britain and Eckart Werke of Germany, through their shareholding in the smelter with Breton Investments; the latter is now the only other shareholder apart from the Bahrain government, which holds 51 percent of the company. BAI had an original design capacity of 3,000 metric tons a year, which was increased to 6,000 metric tons in 1980.

BAI takes the molten aluminum straight from the nearby smelter. The aluminum is driven to the plant in a special refractory-lined crucible. Upon arrival, the crucible is pressurized and the molten metal blown out through a special nozzle. Powder is formed by using a special combination of temperature, pressure and nozzle size. When the powder is cooled, it is packed for export in either steel drums or "jumbo" polyethylene bags containing up to 1,000 kilos (2,200 pounds) of atomized powder. It is widely used in manufacturing paint, ink, fabrics, expanded concrete, petrochemicals and steel and as a

component for rocket-propulsion fuels.

The most significant downstream development was the opening of the \$100 million Gulf Aluminium Rolling Mill Co. in 1986. Garneo was another first for the Gulf. It was a joint venture with Iraq and six of the seven states

Downstream industry underpins economy

of the Gulf Cooperation Council (Bahrain, Kuwait, Qatar, Oman, United Arab Emirates and Saudi Arabia). The initial plan was to supply the shareholders with up to 40,000 metric tons a year of rolled aluminum sheet. The first year's production of 22,000 metric tons exceeded all

mst year's production of 22,000 metric tons exceeded all expectations, and further expansion took place.

"We are now producing some 65,000 metric tons a year," says General Manager John Paterson. "Originally, we were selling our products to Europe and North America. Now the target area is the Middle East. We see a big growth market in the can industry, which is rapidly propagating Some 50,000 metric tons on foot Champage for expanding. Some 50,000 metric tons go from Garmoo for can ends, bodies and tabs." Mr. Paterson would like to see more capital investment in the plant to meet higher specifications for the can industry, which requires thinner rolled sheets. This means installing new rolling mills that would squeeze ALBA's 10-ton rolling ingots down to sheeting 0.2-millimeter (0.008-inch) thick and as little as 0.15-millimeter thick for the lithographic industry

Costs have been reduced significantly over the past two years, and annual output per worker is now approximately 132 metric tons. This year has seen several record production runs from the mill. In May, average weekly production was 1,300 metric tons; in June, it rose to 1,572 metric tons. A standard coil of foil is 7,000 meters (23,100 feet) long and weighs 5.2 metric tons.

Mr. Paterson believes the time has come for Garmoo to reposition itself in the marketplace and take advantage of increasing demand by the canning industry in the region. A proposed Coca-Cola plant in Bahrain would require 75 million cans a year, representing almost 70 percent of Garmeo's current production.

With the various expansion plans and new downstream manufactured products coming onstream, the question raised by some businessmen is whether or not Alba's massive expansion program will have to be further extended in the future to meet quality demand at home



HIDADA LIMITED Congratulates **ALBA**

On the successful completion of the SMELTER EXPANSION PROJECT

Our Contribution to ALBA is THE ANODE BAKING BUILDING — 5,000 Tons of Steel Fabricated, Erected & Covered.



The Quality Steel Fabricators

P.O. BOX 11809, JEDDAH 21463 KINGDOM OF SAUDI ARABIA Tel: 966-2-6374450, Fax: 966-2-6375428

Night and Day, Nonstop Transport of Materials

Every 24 minutes night and day, a 40-ton heavy truck rumbles the 11 kilometers (6.8 miles) along the causeway road from the marine terminal to the plant. Its load? Alumina oxide, the basic raw material from which aluminum is made. Alumina oxide is shipped from Alcoa's bauxite mines in Western Australia to the terminal.

which has been constructed on an artificial island. Before the plant expansion, the alumina oxide

was off-loaded from the ships and carried to the plant by an overhead bucket ropeway. This will now carry petroleum coke (another ingredient for the aluminum-manufacturing process), which is also delivered by sea, and alumi-

na oxide only in an emergency. A new road links the terminal with the mainland so that a continuous supply of alumina oxide can be transported nonstop 365 days of the year. If supplies of alumina oxide are interrupted for any length of time, or the electrical power fails,

smelting comes to a halt.

one of the world's major

to 460,000 tonnes. In addition,

capacity has increased from

Sophisticated insurance cover

for a project of such a scale

to ensure optimum security

business, met this challenge with the highest degree of

and protection, ARIG, a

leader in the insurance

professionalism and proficiency.

ARIG's expertise,

and complexity had to be arranged by underwriters with advanced technical know-how

Alba's power generating

540 MW to 1340 MW.

two smaller vehicles are used as standbys or for distributing some of the alumina within the plant area. The shuttle-run involves moving 2,400 metric tons a day. Special storage and de-livery silos with ancillary

The alumina is carried

operation. The scale of Alba's was matched by Aluminium Bahrain (Alba) is

in five trucks, which run the various material-hanthe regular shuttle service; dling systems for the alumina, petroleum coke, pitch, cryolite and fluoride. Some of the materials, apart from the alumi-

handling equipment for the ahmina have been constructed or improved to convey the massive quantities of the material building two 12,500 storrequired for the smelting age silos for the new pot-Because of the volume line. Alumina is fed to the

and the number of different delivery points, the handling system has been a complex operation," says Klaus W. Lehmert of Klockner Industries-Anlagen. The company was responsible for constructing

na and coke, are shipped to Mina Sulman, Bahrain's main port, and taken by road to the plant. The work involved modifying the aluminaloading system at the ter-minal, constructing a 2,500-ton silo for emergency supplies of alumina and

pots by a special conveyor.
The materials for the smelting operation come from all over the world in huge quantities to manufacture 460,000 metric tons of aluminum a year.
M.F.

Ewbank Preece - engineering power for

From initial conceptual design through to site supervision and commissioning. Ewbank Preece has been at the forefront of the development of ALBA's 800MW combined cycle power station - a vital part of the aluminium smelter expansion project...

ALBA

Acting as the Client's Engineer, and working to comprehensive quality assurance procedures, Ewbank Preece has played a key role in the international team which has brought about the successful completion of this





Professionalism In Practice

international resources and proven track record of providing tailor-made insurance cover endorse the Company's ability to underwrite large-scale ventures such as the Alba expansion project anywhere

ADVERTISING SECTION

A Lightweight Metal Is Heavy on Power

Aluminum's ore-to-metals equation has a pleasing simplicity. Four metric tons of bauxite, the basic raw material from which aluminum is derived, yields two metric tons of alumina, the intermediate product in the chain, which in turn produces one metric ton of primary aluminum out of the smelter gate.

Several other ingredients are needed along the way, but the overriding requirement in aluminum production is energy; most of this is consumed as electricity at the smelting stage, during which alumina is converted to metal.

Printer State Comment

A 5 4

7

- T

Just how energy-intensive aluminum production is, can best be seen by comparing its need for energy with those of other everyday materi-

Aluminum's overriding requirement is energy

als. Aluminum production requires about 20 times the energy needed for cement manufacture, 10 times that used in glass production and roughly double the energy input required for

Modern smelters such as ALBA consume 12,000-14,000 kilowatthours per metric ton of metal produced; energy is used earlier on in the production chain as well, bringing the total requirement to 17,000-19,000 kwh/metric ton, depending on the age and efficiency of the equipment at each stage and the quality of the materials being processed.

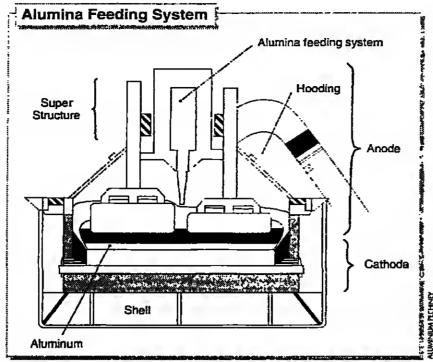
The bauxite used by the aluminum industry contains 45 percent to 60 percent aluminum oxide, along with iron oxide, silicon oxide, titanium oxide and water. Although deposits exist in a large number of tropical and subtropical countries, most of the mining activity is confined to a handful of places where large, easy-to-mine deposits exist. Notable producers are Australia, Guinea in West Africa, Jamaica and Brazil, Once out of the ground, the bauxite is crushed, dried and transported to an alumina

Alumina refineries, which typically have capacities of 800,000 metric tons or more per year, are either sited in the same region as the bauxite deposits or thousands of miles away, closer to the smelters that buy the product. An example of the first scenario is Australia, where significant alumina production capacity now exists on the back of the world's

largest source of hauxite, while the United States is perhaps the best example of the latter.

The design of an aluminum smelter and the preferences of its operator very often lead to the choice of a particular source of alumina produced from a specific bauxite deposit, and this does not necessarily mean sourcing from the nearest available alumina plant. ALBA's alumina, for example, is shipped from Western Australia, and the overriding consideration is consistency; a smelter manager is not interested in everchanging sources for his raw materi-

The conversion of bauxite to alumina is usually via the Bayer process: The hauxite is mixed with liquid caustic soda and then pumped into pressure vessels, where it is subjected to high temperatures and pressures. This is followed by settlement, filtration, precipitation and then calcination in rotary kilns before alumi-



na (Al₂O₃) emerges as a fine white powder ready for shipment to the smelter. Although alumina is the principal raw material for a smelter, others — including coke, coal tar

pitch and cryolite — are needed.

Aluminum is produced in electrolytic cells or "pots," which have carbon anodes and cathodes and an electrolyte in which the alumina is dissolved. The cells are long rectan-

gular, shallow steel containers measuring up to 10 meters x 3 meters x 1.5 meters (33 feet x 11 feet x 6 feet); these are lined with refractory hricks and carbon blocks produced hy haking a mixture of metallurgical grade coke and coal tar pitch. They have multiple anodes (rectangular blocks made from a baked, compressed mixture of petroleum coke and coal tar pitch) suspended in the

electrolyte from above the cell. Alumina is dissolved in the electrolyte (a mixture of cryolite — e fluoride of sodium and aluminum — and aluminium fluoride held at a temperature approaching 1,000 degrees C, or 1,832 degrees F).

The carbon anodes are usually produced on site; the so-called "pre-hake" anodes are preferred to Söderberg anodes, which are haked while in the cell, largely because higher environmental standards can be achieved, but also because they offer better power performance.

In the little over 100 years in which aluminum has been produced commercially, the electrical-current rating of these pots has increased steadily: today, such recognized leaders as France's Pechiney use cells with a rating close to 300,000A.

Since only a small voltage is required per cell, large numbers of pots can be connected in series, the cathode of one pot coupled electrically to the anode of the next. ALBA's new potline, for example, has 288 cells and stretches for e distance of almost one kilometer (0.62 mile).

Within each cell, the electric current flowing from anode to cathode through the electrolyte reduces the alumina to aluminum metal (which settles to the bottom of the cell) and oxygen (which hurns off carbon on the anodes). About 0.5 kilogram (1 pound) of carbon is consumed for every kilogram of metal produced.

As smelter design has advanced, so the energy required to convert alumina to aluminum has decreased.

Today, smelters operating at 12,500-13,500 kwh/metric ton of metal are at the leading edge of the technology. ALBA's new potline is designed to operate with an energy consumption of 13,200 kwh/metric ton — a very similar figure to that for several other new smelters or expansions around the world, for which Pechiney's technology is proving the most popular choice.

Potlines and thus smelters have grown in size over the years with individual lines commonly in excess of 200,000 metric-tons-per-year capacity. Since it is not unusual for smelters to grow in stages, plants well in excess of 400,000 tpy are becoming less rare, and ALBA's 235,000-tpy expansion will raise its total smelter capacity to about 460,000 tpy.

Because of the significant energy needs, primary aluminum production has increasingly gravitated toward regions of low energy cost rather than to where the metal is most needed. Japan, for example, now has negligible smelting capacity. This usually means that plants are built in areas of ahundant hydroelectric power, where oil or gas is cheap.

The Gulf is an example of the availability of oil-based energy making smelting attractive. Captive sources of such fuel make gas- or oil-fired power stations economic.

Although much time is devoted to reducing the power consumption of aluminum smelters, with a lot of attention being paid to such factors as magnetic halance and the application of computerized process control and automation systems to optimize operating parameters, overall plant design has edvanced to the point where manning levels today are a fraction of what they once were. The day-to-day supervision of hundreds of pots, for example, can be done by a handful of operators using overhead cranes.

The standard commodity shapes are cast by pouring the molten metal into individual molds, but rolling ingot and extrusion hillet are continuously cast through a shallow mold with a retracting base, which chills and solidifies the metal as it goes through and can produce large ingots or multiple billets with one cast.

It is in the meltshop's holding furnace that the composition of the metal can be adjusted to produce whichever alloys are required for a particular cast, Aluminum alloys are designated by a 4-digit notation. For example, aluminum-copper alloys are grouped in the 2000 series, manganese-containing alloys in the 3000 series and magnesium-silicon alloys in the 6000 series.

Paul Millbank

A Home Without Aluminum? Don't Even Consider It

Have you ever stopped to wonder what your home life would be like without aluminum? Of course not. You just take it for granted.

If there were no aluminum foil, you would have to wrap all leftovers in that other sticky, clingy food wrap. And how could you bake potatoes and holiday turkeys?

What would keep the cold chill of winter out if not for aluminum window and door frames? The very roof over your head may be covered with heat-reflecting aluminum coating, and the lightning rod that may one day save your life is made of aluminum. And how do you get up to the roof? On e lightweight aluminum ladder, of course. And where would the world's couch potatoes be if that aluminum antenna up there were not bringing in the television signal?

What would American suburbs look like without aluminum siding?

How would their residents lounge around in the backyard without aluminum-frame lawn furniture? Don't forget the aluminum chain-link fence that keeps the dog from running away or the explosive aluminum powder that sets off your holiday fireworks. And what if there were no aluminum chlorohydrate in your personal antiperspirant ... well, let's not think about the consequences.

Speaking of personal hygiene, you probably aren't aware that the only reason your toothpeete squeezes out so easily is because the tube is made of aluminum.

Your bicycle end lawnmower would be a lot heavier to lug up from the basement every spring if it were not for their lightweight aluminum components. And wouldn't you be embarrassed if your kid wanted to be the next Hank Aaron end you couldn't afford a wooden bat? Luckly, less-expensive aluminum bats

are now available end are even being used by U.S. college leams.

Let's talk about cooking. You might starve without your aluminum pots and pans. Tea time wouldn't be the same without the aluminum tea kettle, one of the earliest uses of cast aluminum. By the way, if you own any cast or hammered aluminum cookware made in the 1930s, '40s or '50s, it may be valuable. Many of these handsome and nearly indestructible items are now collector's items. Perhaps we should hold on to those aluminum trays that frozen tooks are made. Who knows?

foods come in. Who knows?

Aluminum helps us to keep things together. Have you ever wondered why the staple in a tea hag doesn't rust? Because it is made of aluminum. And why those little twist ties used to close plastic bags are so easy to bend? Because they have an eluminum wire inside. Aluminum nails, screws and holts keep a good

part of our surroundings from falling

Aluminum also protects us from the elements — in the form of aluminum hydroxide, it is used to water-proof fabrics.

We all know that most of the beverage cans we sip our favorite soft drinks from are made of aluminum, but what about the humble bottle cap that has been sealing in the bubbles since the turn of the century?

Now aren't you ashamed of not paying more attention to aluminum all these years?

Heldi Elileon

What's left to "aluminize"? Maybe our award system. Olympic medals are gold, silver and bronze; anniversaries are silver, golden and diamond; best-selling records are gold and platinum... What accomplishment is worth an aluminum prize? All suggestions welcome.

This announcement appears as a matter of record only.



ALUMINIUM BAHRAIN, B.S.C. (C)

Fourth Potline and New Power Plant Project Financing Facilities

Secured by 1990 Quota Agreement

Commercial Bank Facility

US \$650,000,000

Power Plant Belgian Export Credit Facility Power Plant German Export Credit Facility Power Plant Italian Export Credit Facility US \$ 35,000,000 US \$290,000,000 US \$104,000,000

Smelter Equipment French Export Credit Facility Smelter Equipment German Export Credit Facility US \$120,000,000 US \$150,000,000

Financial Advisors:

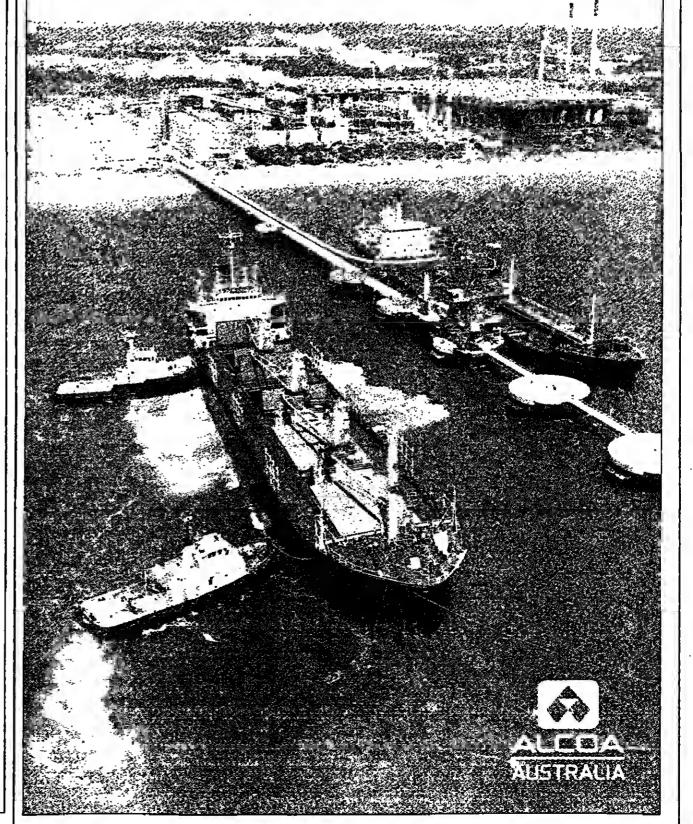
Chase Investment Bank Limited
Gulf International Bank B.S.C.

1990/1991



ALCOA OF AUSTRALIA LIMITED

Is proud to be a supplier associated with ALBA since its commencement of operations in 1971



Corr

ege l

Dech

beret 9-to-Stock tive, chan • Mi devel 64 u Co. u for u and ury p ettir Sach weigh said at Ki • Th

A ASM A ACF H
AAGON
AAGON
AAGON
AAGON
AAGON
AAGON
AAGON
AAGON
BOIS
FORRE
BUNNT
FORRE
HECKE

A STATE CONTROL OF THE CONTROL OF TH

New Potline No. 4: Nothing But the Best

The government took a bold step in doubling ALBA's output to 460,000 metric tons a year in one dramatic expansion project.

ALBA's expansion project involved building the new No. 4 potline, which uses the latest Aluminium Pechiney technology in the reduction process to turn alumina oxide into metal. The management consultant for the project was Bechtel Ltd. Total production capacity from the new potline is 235,000 metric tons per year, which will have a significant effect on productivity. Twenty years ago, annual production per employee was only 43 metric

tons; now it has reached approximately 250 metric tons. The new polline, which is one kilometer (0.62 mile) long, is probably the most modern and largest in the world. It has 288 "pots," or reduction cells, in addition to the existing 684 cells in potlines 1, 2 and 3, which are all being modernized under an extensive retrofit program due to be completed next year.

ALBA began its smelting operations in 1971 with just two pollines and a 360-megawatt power station. Production in the first year totaled 10,788 metric tons. In 1981, production went up to 170,000 metric tons per year with the addition of the No. 3 polline and increased electrical power-generating capacity. The first 76 of the new generation point-feed reduction cells were started up in 1990, increasing production levels to 205,000 metric tons. In the same year, the government approved a program to retrofit 446 old cells in lines No. 1 and 2.

The expansion project also includes upgrading the existing cast house and building another one (the cast house is where the molten metal is poured into molds and turned into ingots, billets or slabs), as well as another carbon plant for making the anodes used in the reduction process. A new power station has also been constructed.

The retrofit program, which began in 1991, starts with potlines No. 1 and 2, then potline No. 3. The program involves applying advanced technology to extract, treat and recycle gas from the old-style pots and to control radiant heat. This is achieved by installing special hoods over the pots, point feeders for the addition of alumina, fume ducts and gas-cleaning systems. Many process-control systems will now be automatic. These measures alone will increase production from the No. 1 and 2 pot rooms by 20,000 metrie tons per year and reduce manpower by about 15 percent.

The existing cast house was doubled in size primarily to take advantage of the demand for billets and ingots, or slabs, for rolling products. In 1991, major contracts were awarded for the purchase and installation of new melting and holding furnaces with a capacity of 35 metric tons, a billet saw and two homogenizing furnaces, a cooler and direct-chill casting equipment. Production of billets and rolling ingots reached 120,000 metric tons per year and 140,000 metric tons per year by the middle of this year. A second cast house for standard ingots and alloys was

built to handle the extra output from the new potline. After the liquid metal has been brought to the cast house, it is poured into special mixing furnaces to which are added small amounts of silicon, magnesium, copper,

modernize out-of-date dling very hot metal de-

"Engineers on wheels" is

how one might best de-scribe the slightly unusual know-how provided by the

Italian group, Techmo Car of Limena, Padua.

Techmo has been provid-

ing intelligent mechanical

power for the primary alu-

minum industry for more

It is also concentrating

on engineering design to

than 30 years.

'Smart' for Comfort and Safety

processes and equipment

in the aluminum smelting

back in 1971, it has sup-

plied a total of 42 specially

designed mobile trucks, or

ficult and potentially dan-

gerous tasks in the pot

rooms. These tasks cannot

easily be done manually.

They often involve han-

"cars," which perform dif-

Since ALBA first began

iron, titanium or boron. These ingredients help to ensure that the metal reaches particular alloy specifications. After they have been added, the metal is cast in either solid ingot molds or through special direct-chill casting machines, which have a water-cooled jacket. As the hot metal comes into contact with the cool sides of the mold, it "freezes" into the special shape required. The three ingot casters in one of the cast houses are dedicated to standard ingot production. Each has a throughput of 20 metric tons of ingots per hour. Each ingot weighs 22 kilograms (48 pounds) and is stacked in a special interlocking bundle, which is strapped and stored for shipment. Each bundle weighs one metric ton. The casting machines in the other cast bouse are used to produce extrusion billets, rolling ingots and T-ingots.

Apart from casting ingots and billets, about 55,000 metric tons of hot liquid metal are transported in special crucibles direct from the potlines. This goes straight to two of Bahrain's existing downstream manufacturing operations — Midal Cables and Bahrain Atomisers located adjacent to the ALBA plant. Hot metal will also be supplied to the new BBS auto-wheel factory, located

nearby, and another wheel plant is expected.

Carbon is used for making the anode blocks, which are suspended on the end of aluminum rods with a steel base above each cell. They are partly immersed in molten cryolite, to which the alumina is added via the point feeders. The carbon-lined cell acts as a negative cathode, while the suspended anodes are positive. Massive electrical current passes between the anode and the cathode, causing an electrolysis process to take place, reducing the alumina, which is dissolved in the electrolyte to neutral aluminum; this is collected at the cathode of the cell.

Each metrie ton of aluminum consumes 415 kilograms of carbon anodes. One anode lasts about 28 days before it is burned away. A total of 240,000 metric tons of anodes are made each year in the two snode production plants. These comprise a paste plant, baking kilns and a rodding shop. The anodes are made from petroleum coke, which is mixed with coal tar pitch into a paste and formed into "green" anodes. These are then baked in kilns at a temperature of 1250 degrees Centigrade (2282 degrees Fahrenheit) for 17 days. During the baking, the coal tar pitch evaporates, leaving behind a heat-resistant, electrically conductive carbon block.

Potline No. 4 is the most modern of its kind yet built and is the leading edge of Aluminium Pechiney's reduc-tion technology. Microprocessors monitor and computers control all stages of the manufacturing process. Realtime data analysis gives immediate warning of the slightest problem. Routine processes like changing the anodes, breaking open the crust on top of the molten metal in the pots and tapping off the newly made aluminum are all controlled from the comfort of a fully computerized, air-conditioned cabin.

vices used in the reduction

the anodes and distribut-ing the fluoride and cryo-

lite, point feeders and

crust breakers. The com-

pany has also provided the

flue wall rig in the anode

bake house as part of the

do," says a company direc-

tor, "is to improve the op-

"What we are trying to

These include changing

process.

expansion.

erator's working condi-

tions and environment in

the pot rooms by introduc-

ing semi-automatic vehi-

cles and equipment with

high comfort and safety

Techno believe that its

know-how helps to reduce

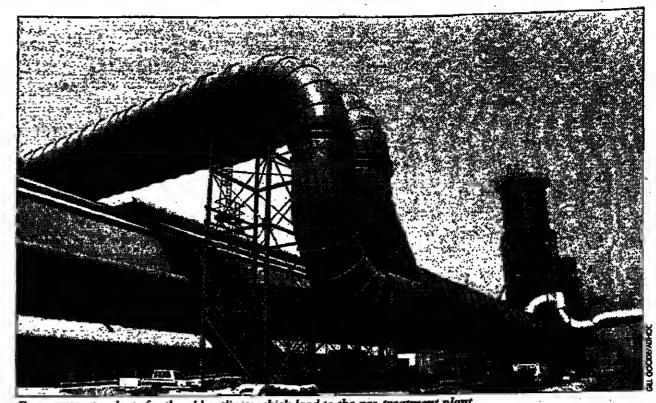
power consumption and

increase the overall effi-

ciency of both new and old

om operations

standards."



Fume-extractor ducts for the old potlines; which lead to the gas-treatment plant.

Recycling the Resource That Went Astray

Energy conservation and environmental protection have been top priorities for the ALBA expansion project, one of the cleanest in the world.

Pollution should be regarded as a "resource that has gone astray," says Gudvin K. Tofte, ALBA's chief executive, who has taken a strong personal in-terest in making sure that ALBA is now one of the

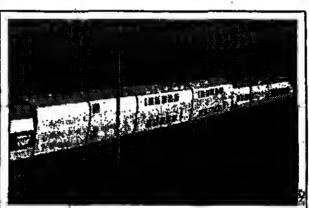
One of the safest smelters ever built

"most environmentally friendly and cleanest" smelter operations in the

"Taking care of the environment hrings direct cost savings to the company as well," says Mr. Tofte, Part of the gascleaning system in the potlines enables the company to reclaim 13,000 metric tons of fluorides a year from the reduction pro-

The ALBA expansion, which involved the construction of the new potline No. 4 and power station No. 3, presented environmental engineers with an unprecedented task: to produce the cleanest and most economically effective operations possi-

In the power station,



The new TGV: lighter and faster.

Trains Lose Weight **And Gain Speed**

Aluminum plays a vital part in the new generation of double-deck high-speed trains now being tested in France.

The third-generation TGV, or train a grande vitesse, is the result of a research program cost-ing 450 million francs (\$83 million) undertaken by the French railways, Société Nationale des Chemins de Fer Français (commonly known as SNCF), in collaboration with GEC Aisthorn. It is planned that the new high-speed trains will be carrying passengers by

The new TGV will run at 350 kilometers (217

miles) an hour, which is 50 kilometers an hour faster than the TGV Atlantique. It will have a redesigned power unit, deliv-ering 50 percent more power, and a new braking system. But the crucial difference is the exten-sive use of aluminum (and some composites) to replace the steel used in earlier versions of the TGV. This means that the weight of 17 tons is brought down to 16 tons, though there are now two decks and 40 percent more passengers. As well as providing strength with lightness, the use of alu-minum will save money

on maintenance.

waste gases from the gas turbines are led through waste-heat boilers, which produce steam to drive two steam turbines. The gas from the reduction cells in the potlines and the anode-baking kilns is cleaned by "dry scrubbing" units in a massive, closed-fume-control and fluoride-recovery system. called the fume-treatment

"This is the biggest sys-tem we have ever supplied and probably the largest in the world," says Kjell Ha-gen, president of ABB Fläkt Norsk Viftefabrik of Norway, which won the \$88 million contract. "ALBA now has an envi-. ronmental control solution that is the best avail-

During the aluminumreduction process, the most dangerous emission is the presence of fluorides in the reduction cells, or "pots," where alumina oxide — the raw material for the production of aluminum — is reduced to molten aluminum. Fluorine is an element of the electrolyte in which the reduction of the alumina takes place.

A small part of the fluoride contained in the electrolyte evaporates and reaches the fume-treatment plant in a gaseous form. If it were untreated and released into the atmosphere, it could be harmful to vegetation but less so to livestock or human beings. The technology for the fume-treatment plant, which was pioneered by ABB Flakt more than 20 years ago, ensures that the minimum of harmful emissions takes

At the new potline No. 4, huge fans ("flakt" is Norwegian for fan), conneeted to a duct big enough to drive a small bus through, suck out the gas containing the fluoride and dust particles from the

pots.

The alumina is injected into the gas from the reduction cells. The fluorine gas sticks to the alumina grains. The gaseous mix-ture is then drawn into the dry scrubbers, which are part of the fume-treatment plant. The gas passes through polyester-felt-bag filters, which are shaken by an air stream. The vibration sifts out the fluorine-loaded alumina grains, which are then returned to the reduction process. This means that no waste is produced, and the fluorine is returned to the cells at a rate of 1,500 kilograms (3,300 pounds) an hour, representing significant savings. Only clean "gas" goes into the atmosphere. The scale of the operation is immense. Almost one million cubic meters (35 million cubic feet) of gas can be cleaned in one hour. Mr. Hagen believes that the payback period for the treatment plant will be only five

cars

100 M. 100

7870 1011 1 2

Arriva Mari

ومناسب المدينة المراجع الم

The service and

المرازي والمرازات

ere jak disi di

sac et coret

MID

GARI

"ALBA now produces the cleanest air in the world from the No. 4 potline," says Mr. Hagen. In addition to the No. 4 potline treatment plant, two retrofit fume extractors and dry-scrubbing units have been fitted to the older potlines, which are being updated with new technology.

Apart from fume ex-

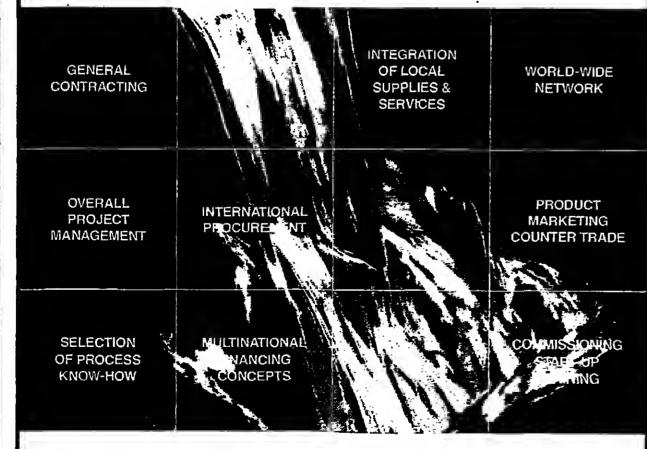
traction and reprocessing the fluorides, environmental working conditions inside the pot rooms have also been greatly improved. Today, working conditions are completely changed, and ALBA has one of the safest and cleanest smelters ever constructed.

The whole process is computer-controlled, and sophisticated alarm signals warn pot-room staff of any impending problems. The operators can control almost all the aluminum-making reduction process in the No. 4 potline from special air-conditioned cabins. They no longer have to endure high noise levels and excessive radiant heat, and they are protected from the dangers of splashing hot met-al. Stressful and arduous tasks have been virtually climinated.

"It is not like it used to be when we had to work in temperatures that often exceeded 50 degrees centigrade [122 degrees Fahrenheit] alongside open pots," says Ahmed Ghu-loom, who began work in the first pot room more than 20 years ago. Today, he is superintendent of pot room No. 4.

KLÖCKNER INDUSTRIE-ANLAGEN GMBH CONGRATULATES ALBA AND ITS STAFF ON THE COMPLETION OF ITS SUCCESSFUL EXPANSION PROGRAMME

AS GENERAL CONTRACTOR KLÖCKNER INA EXECUTED ON A TURNKEY LUMPSUM BASIS THE RODDING SHOP AND VARIOUS MATERIAL HANDLING AND STORAGE FACILITIES.

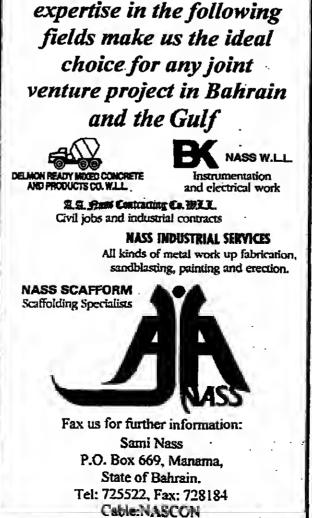


KLÖCKNER INDUSTRIE-ANLAGEN GMBH OFFERS 50 YEARS OF WORLD-WIDE **EXPERIENCE IN EXECUTING TURNKEY PROJECTS AND PROVIDING PROJECT MANAGEMENT SERVICES FOR:**

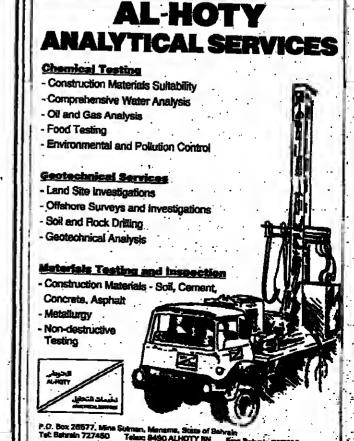
- RAW MATERIAL BENEFICIATION
- NON FERROUS METAL PRODUCTION
- METAL PROCESSING PLANTS
- CHEMICAL PLANTS
- PULP AND PAPER PLANTS
- IRON AND STEEL MILLS
- FOUNDRIES
- INFRASTRUCTURE FACILITIES
- ENVIRONMENTAL SYSTEMS
- SHIPBUILDING
- CONSUMER GOODS INDUSTRIES (TEXTILE, PLASTIC, RUBBER, WOOD)

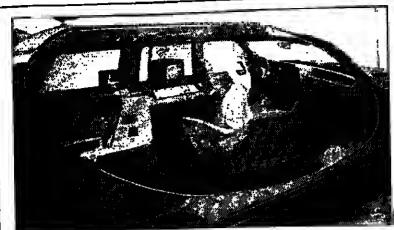


Gerntany: Neudorfer Strasse 3~5 · 4100 Dulsburg 1 · Telephone: (203) 131 · Fax: (203) 33 39 32 Bahrain: POB 33850 · ISATOWN · Telephone: 83 0414 · Fax: 83 0256



Our knowledge and





Auto assets: aluminum's light weight and corrosion-resistance.

Cars Take the Light Road

The average American car contains at present about 176 pounds (79.8 kilograms) of aluminum, according to Ford. The company esti-mates that this will increase to 500

pounds by the year 2005.

The "magic metal" (as National Geographic Magazine called it) laces some competition in the automobile industry from plastics, ceramics and composites and has always been a rival of steel. But it la winning.

A large vote of confidence came in October 1992, when the Aluminum Company of America (Alcoa) announced that it was to spend \$70 million in building a first-of-its-kind plant in Soest, Germany to produce aluminum components for automobile "spaceframes."

The spaceframe concept has been under development for seven ears and is just coming to fruition. The first customer for the Soest plant spaceframe components will be Audi, but Alcoa hopes the plant will have customers from other

manufacturers. General Motors plans to produce cars based on aluminum spaceframes at a rate of 10,000 a year from 1993. Ford has shown a "concept" sports car called the Contour, which is based on a spaceframe technology developed by Reynolds Metal. Japanese manufacturers are also committed to using more aluminum: Honda's NSX sports car is the most aluminumintensive on the road, containing

1,000 pounds of the metal. The spaceframe concept is a significant departure from traditional methods. As Alcoa explains it, Instead of spot welding as many as 300 stamped-steel components to form the car's structure, fewer than 100 aluminum extrusions and Inter-

connecting aluminum-die-cast nodes are robotically welded to form the spaceframe structure. A Ilmited number of aluminum sheet components, such as inner fenders and floor pans, are attached to

complete the body. Paul H. O'Neill, chairman of Alcoa, describes the spaceframe as "the single most significant program Alcoa has ever developed for, and with, the automotive industry." The benefits, he says, "go well be-yond the expected attributes of aluminum, such as light weight and corrosion-resistance.

He adds that it helps set "new contemporary standards for manufacturing efficiency, performance and passenger comfort, while meeting the increasing social de-mands for safety, fual efficiency

and recyclability."
Recyclability is certainly a big advantage. In the United States, about 85 percent of all automotive aluminum scrap is recycled, and there are about 220 vehicle-shred-ders working in the United States. The coming increase in use of aluminum will create challenges for the recycling Industry: aluminum is difficult to separate from general scrap, whereas waving a magnet will bring out steel parts. Furthermore, aluminum panels are affected by paint and by long exposure to the atmosphere, making them difficult to handle.

These problems are not insoluble, '- owever, and the huge advantage of aluminum is that it has a high scrap value, can be used again and offers no threat to the environment, in Germany, legislation is pending requiring automotive materials to be recyclable by the year 2000.

Power, Spider Control And a \$525-Million Deal

The economic return on manufacturing aluminum by electrolysis hinges on making as much metal as possible with the minimum amount of electrical

The making of aluminum is a complex, 24-hour-a-day, 365-day-a-year operation that depends on a continu-ous supply of alumina (the basic raw material) and huge amounts of ener-

According to ABB Kraftwerke of Mannheim, about 13 kilowatt-hours of electricity are needed to produce one kilogram (2.2 pounds) of aluminum. If the power supply fails, the molten alumina will harden in the reduction cells, or "pots," after about four hours. The restart of a solidified potline is a difficult, lengthy and expensive process.

With the expansion of the smelting process and the doubling of production that resulted from the open-

The new power station is the largest in the Gulf

ing of the new potline No. 4, additional stable power supplies were needed. On June 13, 1990, a \$525 million contract to build a new 800-megawatt combined-cycle power station (No. 3) was awarded to a consortium headed by ABB Kraftwerke of Germany and ABB SAE Sadelmi of Italy, with Britain's Ewbank Preece as consulting engineers. More than 1,000 workers representing 60 nationalities have been involved in the project; about 10 percent were Bahrainis.

The power station, which recycles waste heat to produce more electricity, is the largest of its kind ever built in the Gulf. It represents a new step forward in the environmentally friendly generation of electricity. Exhaust gases and waste heat, previously emitted into the air from the six gas turbines, are used to produce steam, which then drives two steamturbine generators.

ALBA's power-generating capability has gone through a continuous period of expansion since the smelter opened in 1971. At that time, it had 19 gas turbines producing only 360 megawatts; these are being replaced by the new station. Ten years later, another five gas turbines were added, increasing output by 120 megawatts; in 1990, a combined-cycle, retrofitted steam turbine was brought into

use, producing another 60 mega-

The new power station will help provide a total of 1340 megawatts at an ambient temperature of 15 degrees centigrade (59 Fahrenheit). Its main purpose has been to provide energy for the new potline and to integrate energy supplies to the other three potlines. Any surplus energy, which might amount to as much as 250 megawatts, will be fed during periods with peak demand into the national grid by the summer of 1994 through a new 220-kilovolt link to the original Riffa Power Station.

Because of increasing power de-mands, there is likely to be a shortfall in supplies to the island's electricity network. By taking the extra power from ALBA, however, there is now no need for another power station to be built.

"ALBA has now become an integral and essential part of the Bahrain Electricity Directorate's network, which will also be able to meet any unexpected shortfall in power de-mand by ALBA," said Gudvin K. Tofte, chief executive of ALBA, at the September signing of a \$70 million loan with 10 local and regional banks to finance the new link.

ABB Kraftwerke's man on the spot is Wolfgang Godau, the site and consortium manager. Originally from Heidelberg, Mr. Godau coordinates the activities of the four associated companies, three of which are from the ABB family. ABB's Mannheim plant in Germany has provided all the turbines, six waste-heat boilers and the entire electrical system with generators, transformers and switch gear.

The gas turbines are massive pieces of equipment weighing 178 metric tons each, and the generators, weighing 115 metric tons, are almost tons to the property of the property as large. It took about four weeks for the equipment to be shipped from Germany to Bahrain's Mina Sulman port. There, a floating crane lifted them off the ship onto special lowloaders for transportation by road to the ALBA site.

"Our biggest problem has been logistics," says Mr. Godau. "Nevertheless, we have built and installed nearly six complete gas turbines in



Gas turbine and waste-heat boiler stacks at the new power station.

12 months - no mean achieve-

The two steam-driven turbine generators will come into operation in January and April next year. One technical refinement is the closed feed-water circuit with air-cooled condensers. "About one million gallons of water a day are needed," says Brian Stone, of Ewe Bank Preece (EWP), who also stresses the importance of quality control on the project. "Every single nut and bolt has been inspected on this job at the stage-by-stage inspections. We have to anticipate trouble before it oc-

The new power-generation system has been designed as two independent modules, each with its own state-of-the-art computerized control systems operating from a central control room. This so-called "Spider" control system from ABB Sweden also looks after the No. 1 and No. 2 power stations. A British company. Switchgear & Instrumentation, won a \$6.4 million order to supply low-voltage switchgear and distribution-control systems. Some of the equipment was made in stainless steel for the first time.

ABB SAE Sadelmi has provided the various transformers, gas-insulated switch gear, cooling condensers and water-treatment plant - a double-reverse osmosis system. Antonino Craparotta, managing director of ABB SAE Sadelmi, notes the close collaboration between members of the consortium. "I hope this collaboration will continue to be as fruitful in the future," he says, "and that ABB SAE Sadelmi will continue to contribute its know-how in power generation and distribution and infrastructure projects in the Middle

Another member of the ABB family, ABB Process Automation, has provided the main power link from the generators to the actual aluminum-manufacturing process. Some of the transformer-rectifier units ("rectiformers") were at the leading edge of some very specialized technology. The units convert the 132kilovolt power supply from alternating current to direct current with an output of 300,000 amperes, used to 'drive" the eletrolytic process in the reduction cells. The six rectiformers, which weigh 165 metric tons, contain a massive 72-ton electrical coil used to produce the ultra-high direct current. "It was the first time that this size of rectiformer had ever been built in one piece, and we had a few teething troubles," says Günter Wiewel, ABB Process Automation's superintendent engineer. "But that's normal for something like this."

a Dimensions of Aluminium

Bahrain Saudi Aluminium Marketing Company (BALCO) - is responsible for marketing Bahrain and Saudi Government's combined 97% off take of primary aluminium from ALBA and Bahrain Government's 51% (3,000 per annum) Off take of atomised primary aluminium powder from Bahrain Atomisers international. BALCO exports the products from ALBA and BAI to the Far East, South East Asia, The

Indian Sub-Continent, the Middle East and Europe. BALCO in addition, supplies a sizable quantity for consumption by down stream industries in Bahrain.

in addition, BALCO purchases aluminium for resale and trades in international aiuminium consuming markets.

Bahrain Aluminium Extrusion Company (BALEXCO)- established in 1977 and operating at a capacity of 6,000 tons per annum is one of the leading high quality extrusion suppliers in the Gulf. Currently 20.73% of the Company is held by the private sector from the G.C.C. and the

balance by the Bahrain Government. Extrusions are produced according to International standards and specifications for a

range of applications and customer's own requirements.

Balexco is also a licensee for Technal-France and Alusuisse aluminium systems.

Midal Cables - Since production commenced in 1978 Midal is one of the few companies In the world producing aluminium alloy rod and the first to do so in the Middle East. The company has also manufactured 75,000 tones of overhead conductor for export, to countries in Asia, Africa, the Middle East and the United States. Midal Cables produces and markets a comprehensive range of aiuminium, aiuminium alloy and steel reinforced bare overhead conductors and redraw rod. Midal also produces a wide range of conform products such as aluminium solid sector for power cables, aluminium strips for transformer winding and aluminium tubing for radiators, heat exchangers and condensers. In consultation with clients, Midal can formulate and supply products to any particular specification required.

Gulf Aluminium Rolling Mill Company (GARMCO) - the plant is one of the largest and most important ventures to be undertaken in the region. Consistent high quality production has enabled the company to market its products in most major markets of the world. Today, GARMCO products are exported to North America, Europe and Japan, in addition to servicing the needs of the Middle EastIGCC countries. Although GARMCO is the youngest of Bahrain's downstream aluminium industries, its rapid growth in a relatively short period augurs well for the future.

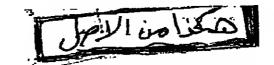
Bahrain Atomisers international (BAI) - established in 1972 as the first downstream industry designed to utilise the metal produced by ALBA. Bahrain Atomisers international is one of the most prestigious companies in the world producing atomised aluminium powder for use in paints and explosives.





GARMCO

MIDAL

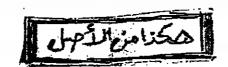


6800 M

ABB Sa 20137 N Italy

5401 Ba s_{witzer}

ABB FI; ₀₈₀3 C Norwa;



Many thanks to ALBA for their excellent cooperation. We are delighted and proud to have been involved.

ABB Kraftwerke AG. Supplying turnkey power plants is our business, and we love it – particularly when it is for a client like ALBA: a company that demands the highest standards. ALBA needed 800 MW of electric power. We supplied them with what is both the most advanced and the largest combined cycle power plant ever seen in the

Gulf area. We are proud that our skills and technology are accompanying ALBA on their way to the very top of the world's aluminium industry. ABB Kraftwerke AG-ABB's power generation company in Germany.

ABB Sae Sadelmi. Thanks to 70 years of experience in general contracting, we have learnt to tackle the issues associated with even the most complex projects such as the ALBA combined cycle power plant. We are delighted to have contributed to ALBA's expansion and success in the aluminium industry through our engineering and construction capabilities and total quality focus. 55,000 MW in steam, gas and combined cycle power plants installed all over the world are proof of our expertise in this field. ABB Sae Sadelmi-Italian know-how and capabilities.

ABB Process Automation. The unique nature of the aluminium production process demands the highest standards of performance and reliability. That is why ALBA chose ABB as the supplier for the crucial 300 kA/1300 V rectifier and auxiliary power front end for Potline 4. State-of-the-art technology and long experience: these are the keys to ABB's success, and have put ALBA at the leading edge of world aluminium production. We are proud to have been associated with ALBA's fine achievement. ABB Process Automation AG-ABB's industrial process company.

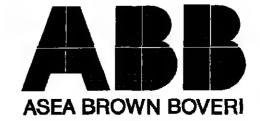
ABB Flakt Norway. ALBA has given environmental protection the highest priority. They demanded the most environmentally effective technology available. It was our pleasure and our challenge to meet these demands. Using know-how and experience gained over 40 years on more than 200 projects, we supplied cleaning plants that will treat seven million cubic meters of gas per hour with a cleaning efficiency close to 100%. Instead of being emitted as pollutants, 13,000 tons of fluorides, as well as valuable alumina, are recovered annually. ABB Flakt Norway – Environmental Technology for Quality of Life.

ABB Kraftwerke AG 6800 Mannheim 31 Germany

ABB Sae Sadelmi SpA 20137 Milano Italy

ABB Process Automation AG 5401 Baden Switzerland

ABB Flakt Norway 0803 Oslo Norway



Sailor and 'People Person' Is Smelter's Chief Executive

Gudvin K. Tofte is the Norwegian-born chief executive officer of ALBA. More comfortable in overalls than in a suit, he calls himself a "people person."

August 1972. He came up from the shop floor, worked in the pot room where the aluminum is made --- and became production manager and eventually manager of the plant in 1976. He became general manager two years later. In 1983, he hecame

"It helps to know what the problems are likely to be and how they can be put right," says Mr. Tofte, who tends to speak in short, animated hursts of conversation. He admits that he is much more at

NI ende gains coun

ing c

Declibered 9-to-Stock uve, chan Midevel 6% u Co. 1 for the and

gettii Sach weigl said at Kii

mone did in The centring reprevious previous creas ne. w

ernm valuz held baske pean Re try's plain peset salter

A AGE A AGE

Mr. Tofte joioed ALBA in wrong specification, he was regarded as an upstart and told to keep his mouth shut by a colleague. That person turned out to be the plant manager who summoned the young Mr. Tofte to his office the next

The support we got from the work force was absolutely marvelous'

home in overalls and more likely to be seen around the office in shirt sleeves. "I like to be comfortable and only put on a suit when I really have to," he

says.
The fact that be is prepared to roll up his sleeves and get out his tool box (metaphorically speaking these days because so much of the smelter is computerized) and go down to the pot room to solve a problem has woo him enduriog support from his work force,

"If you are working in an environment where people don't care what you are doing, the standard of work becomes lousy," he says. "The Bahrainis here are very responsive and positive toward increased responsibility themselves."

A senior member of his staff says that Mr. Tofte is "the ultimate hands-on manager. He knows what's what, and he'll tell you exactly what to do." Bankers -for whom he will wear a suit, and there have been a lot of 'suit' meetings recently to sort out ALBA's financing - are equally impressed by his managerial and oegotiating skills.

Mr. Tofte, the son of a baker from Halsnöy, a small island village in the west of Norway, admits he has been telling people what to do in the aluminum iodustry since he joined a smelter in his home country as a student traince at the age of 20. Convinced there was a technical problem in the pot room because of a

He recalls what happened: "The maoager apologized and told me that when he got home, he had read some papers and found my theory was correct. He then offered me a job in a year's time when I qualified — at 10 percent more than the going rate. In fact, I did much better."

That has been very

much the pattern of his

professional life, even

though joining ALBA was

only his second joh (his first was with an Alusuisse

smelter in Norway). He

soon came to grips with problems in the ALBA pot

rooms and came up with

new "know-bow" to restart the smelting process in pots that had gone

"cold" because of a power

shutdown or for other rea-

greatest achievements here

was between 1973 and

1978, when we began to

solve some of these diffi-

culties. We theo knew

where we were going,

where we were aiming, It

was a very exciting period

for us," says Mr. Tofte,

remembering some of the highlights of his career in

Another was in 1976-80,

when the labor force —

3,000 at the time - was

reduced to increase pro-

ductivity, and more Bah-

rainis were brought into

the plant. Motivation was

created by means of a

profit-sharing scheme

based on cost savings.

"The support we got from

the work force was abso-

lutely marvelous," says Mr. Tofte.

He has the reputation of

fighting hard for what he

wants for his work force,

whom he feels sometimes

regard him as a rather strange fellow. "I am cer-

tainly not a typical Norwe-

gian," he says. "Sometimes

I am accused of being a

"I think one of our

SOILS.

He has always tried to create a good environment at ALBA for both working conditions and from the point of view of making it as pollution-free as possihle. The environment is one of his favorite topics. even when it comes to boating, one of his main forms of relaxation.

little aggressive. Perhaps

so. I like to get straight to

the point." He does not

like bureaucracy or rou-

tine. He hates writing

memoranda and reports,

and even reading them

sometimes is a trial. "Any-

thing more than one-quarter of a page is too long," he says. "I look at it and write 'O.K.' on the bot-

tom, maybe 15 times a

day. Very few people come

to me with a problem, be-

cause I like to come first

with the solution and then

say whether it is O.K. or

When Mr. Tofte. now aged 52 and a family man with three children, is not at ALBA keeping watch over the expansion, which is prohably his biggest challenge, he is more than



Gudvin K. Tofte, chief executive of ALBA: "The Bahrainis here are very responsive and posi-tive."

likely to be on his motor yacht — with his beeper and mobile phone.

His yacht is a "smoker" (it burns diesel), but be would much prefer a sailing yacht. "From an environmental point of view, it appeals to me. It does oot matter whether you go at 7 knots or 27 knots - you will still arrive, and in a sailing yacht, if you have food and water, you can go on forever," he says wistfully.

And the future, now that the expansion is com-

"I've no plans really," he says. "Maybe I will have a sahbatical for three months — and go sailing."
M.F.

Chairman Is Man for All Purposes

One of the most influential men in the development of the aluminum industry in Bahrain is Yousuf Ahmed Al Shirawi, the minister of development and industry and chairman of Aluminium Bahrain (ALBA).

Mr. Shirawi has been closely involved with every stage of ALBA's current expansion project. His involvement goes back to the smelter's earliest days in the 1960s, when he was secretary to the island's Administrative Council.

He calls himself a "multipurpose man," an apt description for this bluff, co-nonsense Bahraini whose role is to take industrial development by the back of the neck and drag Bahrain into the 21st century. Since the beginning, he has always regarded ALBA as the catalyst for greater industrial diversification on the island. His critics likened it to a "white elephant" scheme, but this was not to be the case. ALBA's production and sales soared from 10,000

metric tons a year to 460,000 metric tons annually.

"We have had a quality project from the word go" from the start of production to the last aluminum ingot. Our government has never wavered from trying to achieve this ideal," says Mr. Shirawi. "We are now able to produce some of the cheapest and best ingots in the world. This is going to be a big boost for the island's economy, which will initially benefit from an additional income of more than \$80 million a year."

He hopes the government will be able to reinvest part of this revenue as capital expenditure to create new downstream industries. "We would really like to see more semimanufactured products so as to increase the added value of our products from ALBA," says Mr. Shirawi, adding that there are several projects either at the acceptance or engineering stage. He believes that a number of oew projects will start up in the next three or four years, which will also create a number of new jobs.

"I think there is oow a greater awareness of the investment opportunities in the island, and we are trying to streamline our procedures for granting licenses," he says. "We are also trying to act as agents for the potential husiness partners so that we can help foreign companies with visas, draw their attention to local regulations, point



Yousuf Ahmed Al Shirawi, minister of development and industry: "We had to have a quality product from the word 'go'!"

out environmental safeguards and generally assist them with all aspects of planning their new venture."

He is convinced that there has to be a new attitude toward industrial and commercial development. He has a vision of the future in which all services and industries harmonize and develop together.

The advanced world of the next century will be a new order in the industrial world, which will bring together all the services - insurance, maintenance and travel under one umbrella," he says.

A new service industry that is growing in importance for Bahrain is maintenance, which is becoming a oew technology, according to Mr. Shirawi. He says many companies in the Gulf are now paying the price for not taking into account the effects of the environment salinity and humidity, which lead to corrosion - on construction work during the 1970s.

"We're oot even maintaining our bodies properly," he says with a touch of humor in his voice. Mr. Shirawi is a demonstrative speaker who does not like to waste time as he darts from one subject to another — the price of aluminum, the Kuwait crisis, Bahrain's future and even his daughter's wedding. The subject he keeps returning to, however, is ALBA.

25 Years: No Trace of a White Elephant

On May 24, 1967, one of the first telex machines installed in Bahrain began tapping away. It was sending a message from the Caltex oil company for Yousuf Ahmed Al Shirawi, director of Bahrain's oil bureau, telling him that an investment group was on its way to the island to discuss building a smelter.

The investment group arrived for talks with the government two weeks later, on the day the Arab-Israeli war started. It was also the beginning of the Alumioium Bahrain

smelter (ALBA).
In the early 1960s, prior to its independence in 1971, Bahrain was serious-

The war started, but investors came'

ly concerned about its future economy. "We were all acutely conscious that too far away when our oil would run out -- in about 50 years' time," recalls Yousuf Ahmed Al Shirawi, who was director of the oil bureau at the time; he is now minister of de-

velopment and industry. "In 1964, we were very concerned," he says. "We had one of the highest population growths in the

region at the time. We began to look at various schemes to improve our economic climate - import substitution, maintenance services for the oil industry and so on. We knew we had huge gas reserves, which then had no value at all. Associated gas was just flared off in the rest of the Arab world. We played around with ideas for fertilizer and petrochemical plants - anything that might use gas as a natural energy source or

It was decided to form a evelopment. which Mr. Shirawi headed; he worked with a teacher, a driver and a messenger. "The teacher was in fact Habib Ahmed Kassim (oow minister of commerce and agriculture), and we reported to the finance director, Sayed Mahmood Al Alawi," says Mr. Shirawi, who also recruited a young engineer

as a raw material."

from Bahrain Petroleum Company (Bapco) called Denis Jones. Bapco was then owned by Caltex, the Canadian-registered oil company, and it offered to

help explore new ideas. Io May 1967, Mr. Shirawi received a report from the "ideas team," advising against any involvement in fertilizers or petrochemicals because there were too many huge plants in Europe. Bahrain would be unable to compete with them. Bapco did suggest, however, that someone should go out and try to ment opportunity. The man chosen for the job was a vice president and

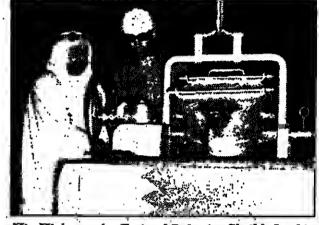
former navy submarine commander, Hugh Storey. He went to the United States and was at a dinner party with some bankers when one of them, Jessica Tyodale, happened to mentioo that she knew of a group of investors in the aluminum industry who were looking for cheap en-

ergy sources. Eventually, that particular contact was passed on to me," says Mr. Shirawi, who remembers only too well the next development. May 1967 was to prove one of the most eventful months not only in Bah-rain's history, but also in the Middle East as a whole: It marked the start of the Arab-Israeli War.

"On May 24, we were in the Bapco guest house arguing about accounts and bookkeeping," says Mr.

Then it happened. A message from Caltex clattered out over the telex machine informing Mr. Shirawi that the British Metal Corporation and a banker representing the investors' group would come to Babrain on June

"I will always remember that day," says Mr.



His Highness the Emir of Bahrain, Sheikh Isa bin Salman Al Khalifa, pours ALBA's first production of ahminum in May 1971.

Shirawi. "There were demonstrations in the streets against the British - but the investors came. Four days later, we had a letter of intent from them to go ahead with a smelter pro-

At the beginning, Mr. Shirawi says, there was no great enthusiasm for Bahraini participation in the project. "Everyone was telling us it was going to be a white clephant." But as it turned out; they were all quite wrong."

Eventually the first syn-

dicate was formed, with the Bahrain government taking 27.5 percent—the largest single shareholding. The other participants were Elektrokoppar (25 percent), British Metal (25 percent), Western Metals (12.5 percent) and Aurora

(10 percent).
On Aug. 8, 1968, Aluminium Bahrain was incorporated by charter. The first board meeting took place in Paris on Sept. 8, when R.O. "Nick" Gutteridge, a director of bankers Guinness Mahon, was elected ALBA's first chairman. Mr. Shirawi and Mr. Al Alawi were chosen as directors representing the Bahrain government. Immediately prior to the

board meeting, many of the participants got cold feet because of the political situation in the Gulf and the general upheaval taking place. "They wanted us to guarantee even ecome open the Strait of Hormuz -- otherwise, they would withdraw from the syndicate," says Mr. Shirawi Nevertheless, the British shareholders and others remained.

At the same time, a construction consortium was formed. This was British Smelter Constructions (BSCL), whose shareholders were Wimpey, Amari and John Brown Engineer-ing. The initial planned production capacity of the smelter was 56,000 metric tons a year, but this was soon to change. The foundation stone for the new plant was laid by the Emir on Jan. 23, 1969. In May 1971, the smelter was officially inaugurated:

During the next decade, several changes in the company structure took place. Today, ALBA has three shareholders: the Bahrain government (77 percent), Saudi Public Investment Fund (20 percent) and Breton Investments of Germany (3

E

How 'Everyone's Bank for the Future' is investing in Bahrain's Future



From the construction of health centres, parks, and places of cultural education... to multi-million dinar projects like the new Airport Extension, and the ALBA Expansion, BBK is putting its resources to work where it benefits the country most. The Bank that is not only dedicated to supporting economic growth, but is equally committed to enhancing the quality of life of the people of





PECHINEY

THE WORLD LEADER IN ALUMINIUM SMELTER TECHNOLOGY.

Cedex 68 - 92048 Paris-La-Défense - France - Tél: (1) 46 91 46 91



ADVERTISING SECTION

ADVERTISING SECTION

Moving Up The Ranks: Work on the Fast Track

Eighty-one percent of the 2,300 workers at ALBA are local Bahrainis. More than 10 percent of them have been with the company for 20 years or more.

Typical of long-staying ALBA employees is Ahmed Ghuloom, who has risen from the ranks of pot-room laborer to superintendent.

Mr. Ghnloom, 42, went to the local government school for his early

A laborer in 1971, he now oversees 100 people

education and then continued without a break at the Apprentice School of Bahrain Petroleum Company

(Bapco). He joined ALBA in 1971 and became a "lead man" with a group of five or six workers in the pot room, where the aluminum oxide is processed into aluminum. "We all came for the money, as the salaries at ALBA were much better than those offered by other companies," says Mr. Ghuloom. Bapco, which was one of the biggest employers on the island, offered an average wage of 60 Bahrain dinars, compared with 85 Bahrain dinars at ALBA. Today, supervisors earn about 1,200 Bahrain dinars (\$450) a month. The monthly salary range for ALBA workers is from 300 Bahrain dinars to 1,000 Bahrain dinars a month.

"In those early days, it was tough work," says Mr. Ghuloom. "We had open pots, and the heat and fumes were awful. The temperature in the room averaged 50 degrees centigrades (122 degrees Fahrenheit), and nearer the pots it was, of course, much hotter. And we had to eat where we worked.'

After seven months, he was promoted to shift supervisor — a posi-tion he maintained until 1974. Then he became pot-room superintendent, in charge of 70 workers responsible for operating a complete line of 114

Mr. Ghuloom became one of the many workers selected by ALBA to



Inside one of the potlines: pouring new molten aluminum from a tapping crucible for transportation to the cast house.

take technical education courses to help further his career within the company. In 1979, be went to Loughborough College in England to do a two-year course in mechanical engineering. He married just after starting the course and took his wife with him. He now has six children three boys and three girls. One daughter, Mona, is studying medi-

cine in Bahrain. In 1981, he returned to the pot room in ALBA. "The course gave me a much wider understanding and better knowledge," he says, "and I deputized as acting manager on

many occasions." He compares the attitude of today's management with that of the early 1970s. "When I joined in 1971," he says, "there were no courses, no training — nothing at all. It was all 'on-the-job' training and experience. We had to learn as we went along. Now it is so different." His education and training are still continuing. Between 1987 and 1989, he studied for an engineering diploma at Bahrain University, and he has also done a diploma course in mangement studies with Loughborough College. More recently, he was sent to Saint-Jean de Maurienne in France for a six-week familiarization course on the Pechiney technology.

Mr. Ghuloom has been in the unique position of having helped start up some of the first pots in the aluminum-production process as well as the latest ones in the new potline No. 4. He now supervises just over 100 employees in the pot room, where they have been busily bringing the new pots on stream.

"The working conditions today are very different from what they were," says Mr. Ghuloom, "Under normal circumstances, we work an average of nine hours, instead of cight. We start at 6 A.M., and I immediately have a chat with the

night supervisor to see if there have been any difficulties. We do the rounds of the pots, and then he goes off work, leaving me in charge.

"I check the operational procedures and sort out any problems with 'sick pots' — perhaps a pot is not covered properly, for example. These are usually small problems, when things are not done quite right. And then, of course, we have to make sure that all our safety procedures are being followed.

"At 9 A.M., we have a coffee or tea break, which is sometimes combined with a meeting. There is always at least one meeting a day with managers, supervisors and some of the workers to discuss aspects of the iob — especially safety, which is most important

"At 12, we break for lunch - just half an hour. I go to the canteen, where I get a meal for 600 fils (\$0.23). The other shift workers in the potline eat on the job as they cannot leave the production process. Special catering vans come round to them."

Mr. Ghuloom is supposed to finish his shift at around 2:45 in the afternoon; because of the deadline to get the new plant up and running, however, he has had to work many

long hours.
"Often, we have been doing an average of 10 to 16 bours," he says. "There has been so much to do --training, learning about new equipment and meeting technicians and contractors. Some of us get extra pay for the overtime, others do not. But we are proud of what we are doing, and we want to do a good job for

When he finally finishes work, be goes home, washes up and sleeps for awhile. "Then, maybe my wife and I go out for the evening. Sometimes I like to go bowling - or play darts,' says Mr. Ghuloom.

Training Program Taps 'Brain Bank'

When the Aluminium Bahrain expansion project began, the company embarked on one of the largest — and probably the most costly — intensive industrial training programs ever undertaken in the Gulf. ALBA's training program involved more than 250,000 training man-hours costing 5 million Bahrain dinars (\$1.9 million).

About 500 specially recruited Bahrainis as well as many of the existing work force took part in various training programs to upgrade their existing expertise and to learn new operating techniques and skills.

Personnel office gets 20 to 30 applications a day

"We had to concentrate on a twoyear program to train people to work on the new potline No. 4, as we had to create an extra-skilled work force," says Ahmed Tahery, who has been ALBA's acting training manager for the last three years. "It has been a great challenge for us. We are responsible for all training in the company, from administration to production.

According to Gudvin K. Tofte, Alba's chief executive, the company has always been renowned for the high caliber of its employees and their commitment to training. Addressing a group of more than 150 recently qualified trainees earlier this year, he commented: "Such a commitment reflects our conviction that training should be considered neither a privilege nor a gift, but the one avenue we bave to continually strengthen the proficiency of our manpower resources."

Today, Bahrainis make up 87 percent of the total work force and 90 percent of the management positions within the company. To a large extent, Bahrain has always had the reputation in the region as being the "brain bank" of the Gulf. Manpower-development strategy applies to all grades of employees. Expatriates are employed on the understanding that a specific part of their job is to help train a Bahraini replacement.

The construction of the No. 4 potline has created another 500 jobs, almost all of which bave been filled by Bahrainis.

We need more intellectual ability these days," says Mr. Tabery. "Our workers have to use their own logic and common sense. Consequently, we have had to do some very extensive training in all production departments so that our workers can familiarize themselves with new techniques and operations."

New workers are generally recruited from two main sources: graduates from the University of Bahrain with diplomas and certificates in engineering, which are equivalent to Brit-ain's Higher or Ordinary National Certificates; and graduates from the local technical schools.

"The first group would consist of students aged around 22 who have never worked before," says Mr. Tahery. "This represents a great challenge for us, as we have had to prepare them for high-tech jobs in the smelter. Our aim is to achieve the highest degree of competence within the industry — and we are doing that. But fine-tuning the mind to new tasks and responsibilities does take time. We do not want people to just press a button and see something happen — we want them to understand why the process takes

ALBA works closely with many of its suppliers on training programs to handle new equipment and systems. "For example, some 35 supervisors and superintendents on the production side have been to Aluminium Pechiney plants in Holland and France," says Mr. Tahery. "Others have been to ABB Fläkt factories in Norway." About 100 employees in all have been to Pechiney plants.

The training programs have prepared the new work force for the No. 4 potline and the new carbon-baking plant, where carbon blocks are made for the anodes and which is used in the electrolysis process. Employees bave also been trained for work in the new power station. More than 50 supervisors and assistants have been to ABB Mannheim in Germany for training; this is part of a \$2 million program.

According to Mohamed Jaffer Shabib, ALBA's personnel manager, there is no shortage of Bahrainis wanting to work for ALBA. "We receive between 20 and 30 applications a day. Unfortunately, there is a very stable turnover of staff. About 10 percent of the 2,300 workers have been here more than 20 years and 70 percent over three years. We offer very competitive salaries compared with other local employers. Nonsupervisory staff begin with a minimum of 250 Bahrain dinars a month in the potline, rising to 300-400 Bahrain dinars as trained laborers. They have 28 days leave plus 12 statutory holidays and an eight-hour shift five days a week. We also allow up to 26 days a year sick leave."

There have been major improvements to the working environment over the years, particularly in the potrooms known for high ambient temperatures. "Soon it will be like working in an air-conditioned workshop," says Mr. Shabih. In the past, employees have either left for "cleaner" work or to further their educa-

Mr. Shabib says the company is also making every effort to improve environmental safety and working conditions. "This is a maximum priority and an ongoing effort for ALBA," he says. "We try to take every precaution possible, and everyone is trained in safety. It is a fact that 90 percent of all accidents are

One of the most successful innovations in labor relations and workers' participation was the formation of a Joint Consultative Committee in 1974. Ten members - five from the work force and five from management — are elected to the JCC every three years. Each department, or sec-

ALBA is renowned for its high-caliber employees

tion, in ALBA also has its own committee, which is elected every three years. "This is the only system of its kind in Bahrain," says Mr. Shabib. "It is important in beloing to educate and train our personnel on bow the whole smelter operates." Mr. Tofte says that "the JCC is an invaluable tool for fostering a positive and har-monious working environment within ALBA."

ALBA is also generous in medical care; it will send staff abroad for treatment, contributing 90 percent of all costs - including air fares and hotels. All employees participate in a government bealth-insurance scheme, and some senior management are also insured for life under ALBA's own plan. As part of the company's general welfare policy, low-cost loans are made for bousing construction and improvements.

To the Government of Bahrain and the Board of Directors of Alumanan Barrain This is an opportunity for us to thank the Government of Bahrain and Aluranium Bahrain Management for the twenty-two years of interise and نتوجه في هذه الفرصة بالشكر الي حكومة النحريين loyal cooperation which have enabled both companies والى ادارة شركة الومينيوم البحرين في تكوي موور اثنى وعشرين عاما في تعاون مخلعة وتعاهم بنام It is also an opportunity to ecores our admiration for to achieve very satisfying results. مما سمح للشركتين بتحقيق تتائج مرهية يتعدد a people who, in the splice of a few years and suided وكندلك هي الفرصة للتعبير عنن تقديد by an enlightened leadership have reached the highest levels of social and economic progress من السنوات وبغضل قيادة حكيما البوصول الى أعلى مستويات الرقي الاعتمام Via R. Colpi. 15 - 35010 Limena (PD) Italy - Phone: + 39 49 8840855 SERVICE EQUIPMENT Tix; + 430077 TECHMO 1 - Fax: + 39 49 8840606 FOR ALUMINIUM INDUSTRY

Global Outlook: Gulf Takes Center Stage

The center of gravity of the international aluminum industry is shifting, and the Gulf has emerged as a significant leader. Bahrain in particular is taking the lead in aluminum production with its newly expanded smelter.

Since the oil crises of the 1970s, aluminum smelters have sprouted in a number of countries with access to low-cost energy reserves, from which the huge amounts of electricity needed to produce primary aluminum can be gener-

In the Gulf, readily available natural gas fuels

Asia offers many promising markets

berec 9-to-Sioci tive, chan Mi

devel 6% to Co. 1 for the and try p etch weigh said Ki The by st pone rose

aluminum production. In Vcnezuele, which has climbed a steep smeltercapacity growth curve in recent years, hydroelectric power is readily available, while Australia has been able to draw oo extensive and cheap-to-mine coal reserves in developing its substantial smelting industry. While the historical cor-

oerstooes of aluminum smelting — Europe and North America — have not left the stage, much of the inexorable growth in aluminum demand has been met by the newly emergent producer countries rather than by a correspoodingly large investment in new smelters in the longer-established re-

European production today is very similar to that of five years ago; production in the United States is higher, while Canada — a long-standing producer of the metal has in recent years capitalized on extensive hydroelectric reserves in Quebec to attract substantial new investments in smelter capacity by foreign companies seeking low-cost met-

Close proximity to supplies of alumina, the basic raw material in aluminum production, is not e prerequisite to smelting, provided that energy is cheap enough. Australia and Venezuela happen to have

domestic sources; Bahrain, Dubai and Quebec are among those that do

Western-world shipments of primary aluminum (virgin metal rather than recycled scrap) have risen steadily, from less than 11 million metric tons per year 10 years ago to between 14 million and 15 million metric tons per year (depending on the state of the world econo-

Notwithstanding tran-sient fluctuations in demand, this is a metal with expanding markets. It has a healthy growth record and this is expected to continue, fortified in particular by its strong performance in the packaging and transportation sectors.

In the West, smelter productioo capacity is close to 16 million tons per year, and the main consuming regions are, in order of ranking, Western Europe (Norway to Greece), North America and the Far East.

The United States, Japan and Germany stand out as the largest individual aluminum-consuming economies. Metal is traded internationally, with its pricing linked to activity on the London Metal Exchange.

While the United States can, on halance, largely cover its needs, Europe has a shortfall of more than one millioo metric tons per year, and Japan's import needs are well over 2 million metric tons; this appears to leave plenty of scope for sales by the newly emergent prodocer countries, none of whom have e large demand for the metal in their home

Prior to its new potline coming onstream to boost capacity to 460,000 metric tons per year, Bahrain's ALBA smelter sold the

majority of its output (some 60 percent) within the Middle East region and had significant sales to the Far East and the rest of Asia. With capacity more than doubling as a result of the new potline, sales beyond the region must grow, and Europe is certain to figure more prominently as a target

It is unclear how successful ALBA will be in securing new business in North America; the region is theoretically self-sufficient, and it has two new Canadian smelters and two other major expansions barely a year old. Europe would, on the face of it, appear to be a more promising market than North America.

Within Europe, the major buyers of aluminum are Germany, Italy and France. In the medium term, Germany's imports are expected to grow as power tariffs force domestic smelters to close, but major exporters like Norway are close at hand, and France has just commissioned a new 215,000-metric-ton-per-year smelter. The market is oot necessarily wide open to new

The cloud that has been hanging over all Western smelters for the last couple of years, and which is expected to stay for some time to come, is the behavior of aluminum producers in the former Soviet

capacity just yet — and there are other uncertain-

The Commonwealth of Independent States has stepped up exports to the West to offset a fall in demand at home and from its former Comecon trading partners, as well as to earn some hard currency to buy raw materials and to maintain and modernize its plants et a time when centralized control is no longer what it used to

As e producer of aluminum, the CIS is a significant player, with e smelter

capacity estimated at 3.8 milion metric tons per year. Production last year is put et 3.25 million metric tons per year; for the last two years, the region has been shipping around 850,000 metric tons per year to the West - substantially more than previously. This has done absolutely nothing to lift depressed aluminum prices, which have slid from the peaks of \$1.20 -\$1.30 per pound in mid-1988 to less than half that price today.

More promising outlets for those looking to place new metal in the market are the fast-growing econ-omies of Southeast Asia and the Far East - notably Taiwan and South Korea. They already import around 300,000 metric tons per year and 400,000 metric tons per year apiece, and growth prospects in the medium term

look good. Situated as they are between the European and Southeast Asian Far East markets, Gulf producers like ALBA are ideally positioned to sell in both re-

In addition to cultivating long-term supply con-Demand is growing

all over the world

tracts, they are well-placed to react quickly to shortfuse sales opportunities as they arise.
There is no doubt about

the Gulf's growing importance as a center of primay aluminum production. On top of Bahrain's 460,000 metric tons per year, neighboring Dubai has an annual smelting capacity of 240,000 metric tons; in Iran, the Iralco plant is expanding to 120,000 metric tons per year, and the new Almahdi smelter at Bandar Abbas will have e start-up rate of 220,000 metric tons per year. Just how much of the region's metal will be in excess of local needs is less

Alloys That Allow the World to Fly

Mr. Al Shirawi is more

Marketing Arm Lends Muscle to Sales The ALBA plant south of Manama, Bahrain's capital, makes the aluminum, but it is the head office of Bahrain Saudi Aluminium Marketing Co. (Balco), located in the island's diplomatic quarter, that makes the money. than confident about this year's sales and revenues.
"We are already achieving our targets, and the start-

prodoctioo will rise to

460,000 metric tons, of

which 446,000 metric tons

will be sold in the world

market.
"One-third of our sales

goes equally to customers

in Southeast Asia, the

Middle East and Europe,"

says Mr. Al Shirawi. He

believes that more avail-

able stocks from ALBA

will be met to some extent.

by a greater regional de-mand in the Middle East

as more downstream in-

dustries are created. More

than 80 percent of the

Gulf demand for alumi-

num in the six Guif Coop-

eration Council countries

(Bahrain, Kuwait, Qatar,

Oman, the United Arab

an upturn in demand from

bia) is met by Balco.

minum stocks and prices. "At any given moment, we know our exact position regarding inventories and sales," says Mr. Al Shirawi, Balco's general manager. "We know what remaining stocks are to be two years." priced as well as the Londoo Metal Exchaoge prices. It is all here on the

At one side of Abdui

Monem Mohammed Oas-

sim Al Shirawi's desk in

Balco's head office is a

computer displaying alu-

As the sales and marketing arm of Bahrain's aluminum-production industry, Balco plays a key role in the island's economy. Despite the major disruptions in the Gulf following the invasion of Kuwait and the Gulf war, Balco fulfilled all its customers' needs regarding deliveries. Last year - a period of depressed eluminum prices - total sales reached \$300 million from 204,471 metric tons of alu-

minum, only 2.5 percent less than in 1990. "Our successful hedging activities contributed significantly to our profitability," said Sheikh Isa Bin Abdulla Al-Khalifa, Balco's chairman, in his annual report for 1991. 'In addition, e well-defined marketing plan with clear objectives allowed us to serve customers in 22

Japan and the United States as their economies

gradually recover," adds Mr. Al Shirawi. "There could be some shortages in supply, and we believe that prices will go up in the up from the ALBA expanmid-1990s." sion is going smoothly," he He also sees a surge in says. "I think we are com-

demand from the Europeing on stream there at the an Community. This could right time as there are no reach over 3 million metric other major green-field tons a year by the year 2000. "We will be in e smelter projects in hand for completion on the next good position to supply the EC, as many of the Production sales levels from ALBA have risen current aluminum producfrom 120,000 metric tons ers serving that market are using out-of-date plants."
While Balco is keen to in 1971 to 204,471 metric tons in 1991. With the current expansion program, market some of ALBA's

production to EC countries, Mr. Al Shirawi belicves it will be hard enough to sustain the de-mand from its existing customers. It now has 67 customers in 26 countries. We are certainly not going to see a flood of new metal coming onto the market in the immediate future," he says. "Our commitment to the international market will never be jeopardized, and we will continue to serve all prospective customers. The buildup of market share will obviously coincide with our future expansion, which will reach levels of 460,000 metric. tons a year by the end of

Emirates and Saudi Ara-Balco was formed in We are also expecting 1976 to market ALBA's net finished production worldwide. Then called the Babrain Aluminium Company, it was owned by the Bahrain government. The name was changed to the Bahrain Saudi Aluminium Marketing Company in 1982, following the Saudi Public Investment Fund's purchase of a 20-percent stake in the smelter, represented by the Saudi Basic Indus-

tries Corporation (Sabic).

Today, the Bahrain gov-

ernment owns 74,33 per-

cent of Balco; Sabic, 25.67 Balco also markets about 3,000 metric tons annually of atomized aluminum powder, manufactured by Bahrain Atomisers International, one of the downstream industries. BAI is owned by the

government. Bahrain's aluminum goes to the following desti-

 Europe: Gothenburg, Hamburg, Helsingborg, Helsinki, Istanbul, La Spezia, Rotterdam and Til-

• Middle East: Ain El-Basha, Dammam, Dubai, Jeddah, Kuwait and Lattakia.

 South Asia: Bombay, Chittagong, Colombo and Karachi.

 Southeast Asia: Bangkok, Penang, Port Kelang. Surabaya and Singapore. • Far East: Busan, Kaohsimig, Keelong, Kobe,

Nagoya and Osaka.



Cegelec (Alcotel Alsthom Group), one of the electrical engineering leaders throughout the world, is one of the first in the field of process control systems intended for oluminium smelters

In 1991 and 1992, Cegelec successfully commissioned the most updated patline control system on the new generation of Aluminium Pechiney electrolysis pots (AP 30) for three large plonts, Aluminium Dunkerque in France, Lauralco in Conodo and Aluminium Bohrain in the Arobian Gulf, which oltogether represent the control of obout one thousand pots.

With the help of Cegelec's subsidiory Comsip AL A'All in Bohroin, who was in charge of the installation, cobling and connection of equipment, the first pot was storted up one month ohead of

Cegelec, os o world speciolist for high voltage substations, has also supplied with Comsip AL A'ALI, two rectifier tronsformer groups on o turnkey bosis, designed for the retrofit of ALBA's pollines 1 and 2.

Comsip AL A'ALI, os the specialist in Bohrain, for Electrical & Instrumentation Engineering and Controcting, ALBA's principal electrical contractor, was the main contractor for the 11 kV electrical distribution system and installed the electrical and instrumentation systems for the Anode Poste plont.

Comsip AL A'ALI - Electricol & Instrumentation Contracting and CAD Services.

COMSIP AL A'ALI

CEGELEC

Comsip AL A' All - P.O. Box 26949, Adliya, Bahrain Tel . (973) 77.30.06 · Faz · (973) 77.00.45 · Telex · 8302 BN

Cegelec Industrial Equipment Division 9, rue Ampère - 91345 Massy Cedez, France Tel . [33 1] 60 13.22 67 - Fax · [33.1] 60.13 24 03 - Telex : 604537 F

advancing technology new lightweight alloys and reduced-density aluminumaircraft looking out of the window, you are likely to based engineering materisee an expanse of shiny metal covering the wing. als have evolved - and That metal is basically alupartly because the advanages of composites have Its presence is an Indica-

tion of the triumph of aluminum in the field of commercial aircraft. In the 1980s, some experts were predicting that over 50 percent (some said as much as 90 percent) of aircraft produced in the late 1990s would be made of organic matrix composites. Thet has not happened.

In the Boeing 777, the world's most advanced commerciel aircraft now coming into production, 70 percent to 75 percent of the structural weight is aluminum. The wings are only part of the story. Sitting in that aircraft, you are likely to be entirely surrounded and supported by alumi-

The metal has been able to maintain its traditional dominance of the aircraft market partly because of

failed to mature as expected. The matter of cost has proved crucial in the extremely competitive commercial aircreft market: Components made from organic-matrix composites are likely to be more than 10 times more expensive then components made from aluminum. Manutacturers of aluminum have also taken great trouble to tailor their products to the exact needs of their aircraft manufacturing customers.

Aluminum has been deeply involved in the history of flying. Middle-aged people in the United States. and Britain probably have childhood memories of being organized to collect aluminum pots end pens, which were then transformed into Spitfire fighters and Flying Fortress bomb-

A booklet produced by the Aluminum Federation says: "It is difficult even to imagine how modern air transport could have developed without the light metal. It is not only aluminum's lightness that makes commercial flying possible; unlike most steels, aluminum alloys do not suffer from embrittlement at the very low temperatures met with in the stratosphere. On the other hand, the Concorde, which by virtue of its great speed is subject to considerable friction heating, is a virtually ell-alloy aircraft, the wing leading edges being cooled by internal circulation of fuel."

According to the magazine "Aviation Week & Space Technology," there are two notable areas of advance in the use of aluminum. The magazine reports that "a significant growth market is expected to be aluminum-lithium alloys, a material class that gof off to an uncertain commercial start several years ago." It adds that an organic composite-aluminum laminate called Arall is expected to be another important market for its developer, Alcoa.

Aluminum-lithium alloy weighs about 8 percent less than conventional aluminum. The "uncertain start" was caused because cracks unexpectedly appeared during machining and drilling operations. Further development, however, has resulted in the alloy gaining wide acceptance in spite of its greater cost - components made from aluminum-lithium alloys cost two or three times as much as components made from conventional aluminum alloys.
The ASAF/McDonneti

Douglas transport, called C-17, uses the new alloy ex-tensively, and it is estimated that each aircraft saves 500-600 pounds in weight because of the alloy. It is also used in the wings of the European Airbus and In the frame and skins of the EH101 helicopter, developed by EH industries, an Agusta-Westland partner-



The advanced Boeing 777: 70-percent to 75-percent aluminum. :

ship. The laminate Arall was first developed at Delft University of Technology in the Netherlands. "Aviation Week & Space Technology" says that "it is composed of alternating layers of aluminum sheet and aramid fiber-reinforced opoxy composite sheets... On average, Arall laminates are about 30 percent stronger than equivalent unitary alu-minum sheets and 15-20 percent less dense. The laminates also exhibit superior resistance to fatigue cracks, a property especially important to commercial transport designers."

To return to the air passenger looking out over the wing, an interesting point about the metal used there and elsewhere in the air-craft is that it is completely traceable. Regulations ensure that it can be immediately established which company made the metal in the wing, as well as which company was responsible for its manufacture and assembly. The producers of aiuminum are acutely aware of the responsibility they bear for keeping hundreds of thousands of peodreds of thousand day.

ple safely aloft each day.

K.M. from (

hthis age of inco taworth noting the motable metals i

Present to more

Per en et le

100 ces ses

Rest Store Took

يتست 5 من شرق ع

© 7.23e ~3.77 3€

מייים בטייים מייים

און פונים ביון ביום

ta nei te da

2 2002 0. J. C.

Disencia- crea

presoner son

POICE - SERVICE

Prove Dear or

False Se Store

M 25:0 M



SPECIALISTS IN

- · Consumables · Chemicals
 - Chromatography
- Furniture Layouts
 Scientific Instruments
 - International Installations

Further details from Roger Williams, Business Development Manager Fisons Scientific Equipment Bishop Meadow Road, Loughborough, Leicestershire LE11 0RG Telephone (0509) 231166 Facsimile (0509) 231893 Telex 341110 FISCEQ G



Switchgear & Instrumentation Limited -



A commitment to quality

• A wealth of expertise

· A continuous quest to extend the boundaries of control technology

We are pleased to be working with Alba on one of the world's largest engineering projects

For your essential control requirements Switchgear and Instrumentation Ltd. Bradford, England BD4 7EU. Tel: (274) 734221. Fax: (274) 731390. Tbc: 51185 SAND!

ADVERTISING SECTION

More Than 400 Companies Involved in Expansion

Because of the complex nature of the expansion and construction of the new potline, which involved the latest Aluminium Pechiney technology, no single company took full responsibility — other than ALBA itself.

While it has brought together technology, con-struction know-how, equipment and supplies from all over the world, ALBA has in fact masterminded the \$1.5 billion ex-

This has involved two main projects - the construction of the new potline and upgrading of the existing production facilities, and the erection of a

Potline completed a month early

new power station. During the peak period of activity, some 5,500 workers were engaged on the site at any one time; this has been one of the largest single construction projects in the Gulf since the boom days of the early 1980s. Local and regional contractors won about \$350 million worth of business.

Bechtel Ltd. provided the managing construction consultants for the smelter side of the project, and Ewbank Preece Ltd. supplied the consulting engineers for the power station. Contracts for the smelter expansion were divided into 64 packages, including 12 turnkey contracts. In addition, 45

...

major purchase orders were placed for specialized equipment and materials. Numerous companies worked as contractors, subcontractors and suppliers, bringing the total number of companies involved to about 400.

The engineering, procurement and construction management of the potline was undertaken by Becbtel, which also designed and engineered certain civil construction works. It also looked after a number of the associated production facilities - the anode and rodding plant, the paste plant, bake house and the cast house.

"We also provided a lot of the utility services cafeteria, laundry, the new causeway to the marine terminal and various haul roads," says R. ("Randy") Campbell, Bechtel's construction manager. He speaks highly of the cooperation received from the Bahrain government and ALBA's management and of the high standard of work done by some of the local contractors. There has always been an excellent relationship between ALBA and the contractors, which has been most important, considering the number of different companies and nationalities

involved," he says. Engineering and design were carried out hy Bechtel's London office; procure-ment was carried out in Belgium. At one time, Bechtel was supervising some 2,600 site workers.

While ALBA and its contractors are more than proud of bringing the first reduction cells, or "pots." in the new potline on stream last May, one month ahead of schedule, various difficulties had to be overcome. Much of the general contracting work has been done by Germany's Klockner Industries-Anlagen of Duisburg, one of Europe's leading plant and construction engi-

Klaus W. Lebnert, Klockner's site project manager, says the con-struction of the new potline was one of the most difficult projects he had tackled. "This was because we were getting materials and equipment from so many different locations," be says. "But we also had to excavate down 10 meters into solid rock in some places. Then we had some very high winds last win-ter, which made some of the steel erection not only dangerous, but almost im-

Klockner had four sepa-



Gas-cleaning plant and solid-bath unloading station for the new No. 4 potline.

rate contracts: handling and storing fluoride and cryolite, a storage and handling system for the anodes, construction of the new rodding shop and modifications to the existing shop, and a raw-materials handling system.

These contracts have involved huilding giant silos to store the various materials and the construction of new handling facilities at the marine terminal, which has been connected by a new causeway road.

Apart from the various bandling facilities,

Klockner also had to work with dozens of different contractors simultaneously. "At one time, we had 47 different contractors working together in the rodding shop," says Mr. Lehnert. "I must say that the cooperation experienced here has been much better than on most projects on which I have

worked before."

Expertise, materials and equipment came from many countries and from both hig and small contractors. N.V. Gouda Vuurvast of the Nether-

lands provided the essential refractory bricks for the baking kilns. It has been making these special-ized bricks, which can withstand ultrahigh temperatures, for more than 90 years. Similar knowhow was provided by Nassbeuer LOI Company, part of the LOI Group based in Essen, Germany; the company supplied the cast house furnace system in cooperation with the French company, Brochot. The cast house is the final stage of production. Metal tapped from the reduction

cells is transported to the cast house and poured into 50-metric-ton holding furnaces. Computer-controlled hydraulic cylinders tilt the furnaces with a high degree of accuracy into one of three casting machines, which can each produce 900 ingots. The whole process is monitored by computers, which process all data - including weighing, classifying and marking all the ingots as well as strapping them

together for shipment. Maximum efforts bave been maintained through-

out the project to ensure that the tightest quality control was exercised. This also applies to the raw ma-terials for the smelter and production of the aluminum metal itself from the new potline and from the retrofitted reduction cells in the older potlines. Fisons Scientific Equipment of Britain was one of the many specialized international companies to win a \$1.75 million contract to supply laboratory testing equipment for qualitycontrol analysis and tests.

Now a major industry: Recycling aluminum is not only environmentally friendly, but also highly profitable.

From Cans to Scrap, Again and Again

United States recycled

57 billion cans in 1991

in this age of increasing concern for the environment, it is worth noting that aluminum is one of the most easily

recyclable metals in use today. Aluminum can be reused over and over again and remelts at a temperature of approximately 1,220 degrees Fahrenheit (660 degrees centigrade) - steel remelts at 2,700 degrees F - using only 5 percent of the energy required to make it from ore. Scrap aluminum has been reused since the beginning of the industry, and one-

third of the aluminum produced is now made from scrap from manufacturing operations. in the 1960s, the aluminum bever-

age can was developed. Its increasing popularity during the 1970s made it a primary target for recycling. In fact, it was chosen over steel and plastic by many beverage manufacturers precisely because it could be easily recycled.

Assuming a recycling rate of 30 percent, the energy needed to produce an aluminum can is lower than for other nonrecyclable materials. In addition, recycled aluminum can safely hold food products, while recycled plastics must be made into a coarser product than the original and cannot be used for food. Aluminum food cans have been introduced in the United States and are

another candidate for recycling. Recycling itself has now become a major industry, with everyone profiting, from the homeless people who collect and resell cans to scrap dealers and the companies that reuse the cans. The general public benefits from the lower costs, the reduction of litter, the creation

of new jobs in the recycling industry and the conservation of raw materials.

The aluminum beverage cans used today are 30 percent lighter than those used 20 years ago, making for further savings. Aluminum cans can be turned in to recycling centers, which are now ubiquitous in the United States, or to reverse vending machines, which accept used cans. In addition, many other aluminum products are recycled, from window frames to auto

parts, and the aluminum industry is increasing its efforts to reuse other products. Some 70 percent of the aluminum used in electrical engineering, building and transport is already being recycled.

In Europe, about 35 percent of all aluminum used is currently made from scrap, saving 95 percent of the energy it would take to make it the first time. The European recycling industry is growing as the use of

aluminum beverage cans rises.

In the United States, the aluminum industry hopes to eventually recycle 100 percent of the beverage cans used in the country. In 1991, 62.4 percent of aluminum cans were recycled in the United States, according to a joint study by the Institute of Scrap Recycling Industries, the Can Manufacturers Institute and the Aluminum Association. Although this represented a 1.2 percent drop from the all-time-high recycling rate in 1990, more cans than ever were recycled in 1991: 57 billion, or 220 cans for every person in the country. That represents 1.969 billion pounds of aluminum.

Quality Bidding: Who Won the Contracts?

At least \$350 million worth of business has gone to Bahraini and regionally based companies working on the expansion and new power station.

has been guiding maxim

More than 70 local Bahraini companies were awarded contracts or subcontracts worth \$213 million for the construction of the No. 4 potline. Another \$54.8 million worth of contracts went to other companies from the five other states belonging to the Gulf Cooperation Council. About \$68 million worth of business has gone to seven major subcontractors working on the new power station. The overall project has shown that Bahraini and other regional companies were capable of producing equipment and materials under exacting quality-control conditions and according to the highest specifications demanded by their main international contracting partners.

"The work has given us a tremendous boost," says Abdullah Ahmed Nass, chairman of A.A. Nass, one of Bahrain's leading engineering and building contractors. It has had up to 2,000 workers on more than \$50 million worth of contracts. "One of the main tasks was the civil works for the power station as a subcontractor to ABB SAE Sadelmi," says Mr. Nass. "We provided all the concrete for the station from our own ready-mix company. This bad to be made to the strictest specifications so that the station would not collapse in the next 10 years. let alone the next 1.000 years." Concrete corrosion, from poor mixing and materials, has been a major prob-

lem in the Gulf in the past. Nass has been working with the Al

Zamil Group on fabricating the reduction cells, or "pots," in which the aluminum is produced. Nass made 120 pots and Al Zamil 170 at the rate of about three or four a week. Each steel pot weighs 37 metric tons; the pots are among the largest of their kind in the world. The company got the pot contract just before the Gulf war started. "We only stopped work on the first day, when an air strike took place," says Mr. Nass, who is particularly proud of making the pots.
"Many people thought work like this could not be done here. Now, we have had inquiries for similar jobs from other countries, for example South Africa." His company was also responsible for other parts of the ALBA project, including civil works for the anode-baking and paste plants, the casting house and steel superstructure for the

Some of the key steelwork for the new potline expansion was also done by Airmech Eastern Engineering, part of Bahrain's Mohammed Jalal Group. Airmech specializes in steel fahrication and structural engineering. It gained more than \$73 million worth of contracts, one of the largest amounts to go to a single local company. Airmech had about 800 workers solely on ALBA pro-

jects. At peak times, this went up to 1,600.

Apart from providing steelworks and electrical materials, Airmech also supplied mechanical and electrical installations of plant and equipment in several areas. These included the marine terminal, alumina, coke, coal tar pitch, cryolite and fluoride handling-and-distribution areas. Work was also carried out in much of the anodebaking and ancillary plants, including the rodding shop.
The most prestigious and exacting task undertaken hy
Airmech was the assembly of 288 ring bus hars weighing a total of 8.000 metric tons. The hus hars, which were sent

in kit form from the Spanish Inespal factory, involved a lot of aluminum welding, a very specialized operation. "I think we were probably the only company on the island that could do this type of welding," says Peter Smith c Airmech. The company was also responsible for instal-ing and fabricating many other parts of the existing and new facilities connected with potline No. 4. These methoded the fume-collecting ducts and centers - which needed more than 3,000 metric tons of fabricated steelwork --and electrical installations to the central-control buildings and computer rooms.

A Saudi company from Jeddah, Hidada Ltd. -- part of Xenel Industries, which specializes in structural steelwork and fabrication — provided the steelwork for the anode bake building. Hidada, a leading Saudi company in the steel-fahricating industry, has become increasingly active outside the kingdom. It also makes distribution and lighting poles for the electricity industry. Electrical work has also been done by Comsip Al

A'Ali, the local partner of the French electrical-engineering group Cegelec, which is part of the Alcatel Alsthom Group. Comsip Al A'Ali specializes in instrumentation

and process-control systems, which have been fitted to the No. 4 potline. Other electromechanical installations for the potline and cast house have been provided by the Al Khajah Establishment. The company, which has a \$40 million turnover, has also provided \$4 million

worth of filtration equipment for the new power station. Exercising strict quality control has been the guiding maxim for the expansion and power-station projects.

One local company that has been closely involved is Al Hoty Analytical Services, which has been working with the project managers Bechtel Ltd. Al Hoty first began site inspections in 1989, after winning the contract against stiff international competition. It drilled more than 2,000 bore holes to test the rock bed underneath the founda-tions for the new potline. "Cavity inspection is a must, as we quite often find holes in the limestone rock," says Al Hoty's Babu Rajan. Al Hoty has a site office operating 24 hours a day so that continuous inspections can be carried out. This involves soil analysis and looking at welding, paint work and even the asphalt used for service roads.

"We have to keep to the highest standards of quality control for ALBA and make sure that these standards are met by the contractors," says Taqi Murad, Al Hoty's

Logistics were a major part of the expansion project. Half-a-dozen transportation contracts were won hy Bahrain's Turk Heavy Transport, which moves more than half-a-million metric tons of materials and equipment. Steel beams more than 30 meters (98 feet) long and weighing up to 40 metric tons each were typical freight carried by Turk. We could only drive after midnight through Bahrain with some of these loads on special dollies," says Khalid Turk, whose father founded the company 31 years ago. "Sometimes it took as long as three hours just to go the 22 kilometers from the port to the ALBA site."



WHY CHOOSE BAHRAIN AS AN INVESTMENT LOCATION

- ESTABLISHING A BUSINESS
- THE MIDDLE EAST MARKET
- **INCENTIVES**
- A STRATEGIC LOCATION
- LIVING ENVIRONMENT

-	
4	
21	
9. 4	
4	
73/3	

FOR MORE INFORMATION PLEASE CONTACT: BAHRAIN MARKETING PROMOTIONS OFFICE P.O.BOX 11299, BAHRAIN. TEL: (973) 533886, FAX: (973) 531117

PLEASE SEND ME A COPY OF "A BUSINESSMAN'S GUIDE TO BAHRAIN"

POSITION: TYPE OF BUSINESS:

Decli berex. 9-to-Stoci tive, chan devel 6% to Co. 1 for the and try po C gettir Sach weight said at Ki Tb

ernm valuz held: basko pean Re try's plain peset salter In been

the E from was r venir

A ACS HA AACS HA AACS

APPEC BERKETE BERKETE

Top Financial Institutions Fund \$1.5 Billion Project

Banks from all over the world raised a \$650 million commercial loan for the \$1.5 billion expansion.

From Banque Nationale de Paris and Banque Paribas to Chase Manhattan and Manufacturers Hanover Trust (now merged with Chemical Bank), the

Export credits: almost \$700 million

banks that funded AL-BA's expansion also extend to The Bank of Tokyo and KDB International (Singapore) before reaching the Middle East itself with participants such as the Bank of Bahrain and Kuwait, the Arab Banking Corporation. Saudi American Bank,

Congratulations

to Bahrain

on the completion of

ALBA Potline 4

Engineers and Construction

Managers of the ALBA Project.

نقدّم تهانينا لشركة المنيوم البحرين (ألبا) بمناسبة تدشين مشروعها للتوسيع

nv gouda vuurvast

phone 01820-91400, fax 01820-17991, lelex 20820 gvv nl

Specialists in engineering, manufacturing and

installation of refractory linings.

p.o. box 56 2800 AB gouda- nolland

NV Gouda Vuurvast were honoured

in the supply of the refractories

for the new anode baking furnace

to be able to participate

The Saudi British Bank, Arab Bank and the Gulf International Bank — to name just a few.

Close behind them have

been Europe's leading export-credit agencies — Coface, Sace, Hermes and Belgium's Office National du Ducroire, which have guaranteed funds totaling just under \$700 million. Yet another \$50 million has been provided by an Islamic institution: the Al Rajhi Banking and Investment Corporation. Together, they illustrate the faith that the world's top financial institutions have in ALBA and in its future

The commercial loan which was signed in July 1990, just before the Iraqi invasion of Kuwait — represented the largest single borrowing at that time ever made by a Gulf institution. The terms were also very favorable for ALBA: The 10-year tenure included a four-year grace period, while pricing was 0.375 percent for the

first three years and 0.5

percent for the remaining

seven years.

Chase Investment Bank, along with GIB, the Bahrain-based institution, acted as financial advisors to ALBA on the expansion project. The \$650 million credit was arranged by a group of 11 banks — ABC, GIB, Arab Bank, ABC, GIB, Arab Bank, The Bank of Tokyo, Banque Paribas, IBJ Interna-tional, The Mitsubishi Bank, National Commercial Bank, Riyad Bank, Sumitomo Bank and MHT (Chemical). Lead managers included the National Bank of Bahrain, BBK, GlB, The Gulf Bank, RNP The Mittnii Teige BNP. The Mitsui Taiyo Kobe Bank and Saudi American (Samba). Seven other institutions - the Arab National Bank, Société Générale, Grindlays Bahrain Bank, Daiwa Bank, The Arab Investment Company, Nippon Credit Bank and Saudi-

lead managers. ABC expressed its confidence by heading the syndication as main agent. Due to oversubscription, the original amount sought - \$560 million was raised to \$650 million.

British - served as co-

Another syndicated loan, worth \$110 million, was raised successfully in September 1991, despite the concern about regional risk felt then in the international banking community. Arranged by Chase, ABC and Riyad Bank, it was the first major borrowing in the area after the Kuwait war. The terms reflected this: five years priced at a spread of 0.625 percent. ALBA, however, has an option to extend

the loan to an eight-year period at the discretion of the banks.

The finance will be used for a retrofit program in the existing three potlines, which "will modernize the plant and give it a clean environment," says Ahmed Salih Al-Noaimi, AL-BA's general manager for finance. "The return is high, and the payback period is low." Aside from the three ar-

rangers, who also served as lead managers, two other institutions — Dresdner Bank Luxembourg and the Westdeutsche Landesbank Girozentrale (London branch) - acted as co-lead managers. The Commercial Bank of Dubai, together with Rabo-bank Nederland (London Branch), served as manager. while three others -Sanwa Bank, BBK and Al Ahli Commercial Bank participated as co-manag-ers. Other participants in-cluded the Commercial Bank of Qatar, Algemene Bank Nederland and the Bahrain International Bank.

Equipment for the smelter expansion, plus financing for a related 800megawatt power station, was raised through loans guaranteed by the four export-credit agencies. Hermes, the German institution, guaranteed two facilities: one, worth \$150 million, for the smelter equipment; and another, valued at \$290 million, for the power station. The former was raised by MHT and the latter by Kreditan-stalt für Wiederaufbau.

Coface of France guar-anteed a loan worth \$120 million for equipment as well, giving a total of \$270 million for the smelter. Banque Paribas arranged the credit. Sace, the Italian export-credit agency, guaranteed \$104 million for the power station in a package provided by BNP. Also in on the project was OND, which backed a loan worth \$35 million raised from Belgian banks and led by BNP as well. Altogether, export credits for the power station totaled \$429 million, with terms of up to 12 years.

The final \$50 million provided by Al Rajhi, will be used to finance an aircooler condenser at the power station. Analysts say that the use of an Islamie instrument will avoid the premiums that can be entailed in conventional export-credit funding, but they add that it would be unsuitable for larger sums needed over

the medium term. "We are now more or less complete," says Mr. Al-Noaimi, but he points out that "we're always fol-lowing the market" and would consider tailoring the funding as conditions changed. One example of this, already agreed upon, is a 50-percent hedge for ALBA's interest-rate exposure on the original syndicated loan. Arranged through a swap with Chase, the notional amount is \$325 million, with fixed interest at 7.1 percent a year.
ALBA has now demon-

strated its financial acumen as well, especially given the difficult conditions last year, when both the second commercial loan and the export credits were raised. The successful completion of the expansion-financing packages also demonstrates the de-gree to which ALBA's shareholders have continuously shown their commitment to the company since its formation in 1968 Today, these sharehold-

ers consist of the govern-ment of Bahrain (77 per-cent), the Saudi Public Investment Fund (20 per-



Targets Investors The government is now trying to mar-

ket business opportunities in Bahrain as a cohesive unit. The government wants to done in seven days. More than 30 new companies cut out red tape as far as

possible for inward investment and make it easier for foreign companies to develop secondary and tertiary industries; it now allows 100-percent foreign ownership. As part of a unified strategy between various government ministries, the Bahrain Marketing and Promotions Office was established last year after the end of the Gulf

"With the expansion of ALBA and possible new downstream industries, we are keeping an eye on the future," says Habib A. Kassim, minister of commerce and agriculture. "It will have a considerable impact on the social and economic development of Bahrain."

The promotions office aims to attract inward investment, help with the Bahrain export drive and coordinate marketing activities. It has also instituted a "fast-track" registration scheme for new companies, which can be have registered since late

"We are getting a steady stream of inquiries," says a promotions-office director. "We are trying to attract more companies to set up their regional offices here." He says that the office has five key selling points: Bahrain is the Middle East's financial aviation hub of the Middle East, a regional service and distribution center, an industrial base and a unique tourist resort.

Shirawi, minister of development and industry, is firmly convinced that investors stand at the threshold of new opportunities in Bahrain. "We must pull together and bring togeth-er industrial development and services," he says. We must look at new industries and services such as maintenance and environmental protection technology."

Yousuf Ahmed Al

Designer Metal: Art **And Royal Rattles**

Designers of all sorts have long been using aluminum, a versatile, easily workable and rust-resistant metal, to make ob-jects that can be played with, eaten or cooked out of, just looked at or even

The Bank of Bahrain and Kuwait: local bank with a key role.

As early as 5300 B.C. potters in the Middle East were using aluminum clays to make strong, long-lasting pots, al-though they had no idea that the clay contained a

Soon after French chemist Henri-Etienne Sainte-Claire Deville perfected a practical method of producing aluminum chemically in the mid-19th century, he was summoned by Emperor Napoleon III, who though the new metal might make good lightweight helmets and armor for. this troops. Though this never came to pass, the emperor did have an aluminum rattle made for his infant son, as well as dinnerware for his most important guests. All others had to settle for gold and

silver. Being a new commodity, aluminum was considered a precious novelty at the time and was used to make luxury products and jeweiry. Even architects were attracted to its unique qualities — the tip of the Washington Monument In Washington, D.C. was covered with a 100ounce piece of cast aluminum in 1884.

Surgical Instruments were already being made from the new metal, and in the 1890s, cast aluminum cookware was intro-duced. Today, early ham-mered and cast aluminum cookware, even pieces made as recently as the 1940s, have become collector's items. Many of these pieces are decorat-ed with attractive repoussé designs.

Fashion victims looking for the unusual may have found an answer in aluminum. New York designer Michael Schmidt uses lightweight aluminum wire to make aluminum mesh clothing favored by the likes of Cher, Jon Bon Jovi, Dave Stewart and Chrissie Hyride, And Par-is fashion designer Paco Rabanne has been using aluminum to give sparkle and shine his creations

Many artists have been attracted to aluminum's unique qualities. American artist Alexander Cal-der used aluminum for many of his famous mobiles and sculptures, and Renaissance man Edwin Schlossberg, an artist, poet, inventor and designer who also happens to be the husband of Caroline Kennedy, has used unprimed aluminum like that used for road signs as canvases on which he paints the words of his poems to create a new work of art.

late 1960s, when the idea

of a smelter was first

mooted (see related article

on page 14), many consid-

cred it to be a white-ele-

phant project. Oil had

been recognized as a finite

resource, and alternative

sources of income had to

be found.

Covering a Major Insurance Risk

Insuring and reinsuring ALBA has been an important activity for the Bahrain-based Arab Insurance Group (ARIG).

Gulf.

ARIG is the leading reinsurer for the expansion project, and it has provided advisory services and syndicated placements among other major reinsurers.

"We have provided the most sophisticated insurance cover for a project of this scale and complexity," says one of ARIG's managers. The smelter is by far the largest single insurance risk m Bahrain and one of the biggest single industrial risks outside the oil

and gas industry in the

ARIG has underwritten insurance coverage for a number of different aspects of the smelter and the expansion project. These include the actual construction work on an all-risks basis, third-party liability, allrisks fire and marine cargo. A special section also covers ALBA against loss of profit should any commercial operations be delayed during the construction period.

Congratulation for the successful co ndustrial Furnaces NASSHEUER-LOI appreciated very much the co-operation of SSHEUER ALBA and Bechtel for the construction of the Casthouse 2, comprising 5 furnaces, 50 t capacity each, and 3 ingot casting lines, 20 t/h capacity each, and the related process control equipment. NACCHEUER LE Hodustriggte fanlagen GmbH - Germany 5210 Troisdorf-Oberlat - Lindenstraße 75 Telefon: (0 22 41) 4 98 - 0 - Fax: (0 22 41) 4 98 - 123 - Telex: 8 89 521

Quality and Quantity: New Aluminum Era

for Bahrain and the Gulf

ALI A. JALIL TURK EST.

Continued from Page 7

- enough to build three-and-a-half Eiffel towers; the concrete used would fill 1,000 average-sized swimming pools, and enough cabling was laid to stretch the 1,600 kilometers from Bahrain to Bei-

Metal panels for roofing and siding would cover 25 soccer fields, or 180,000 square meters (1.9 million square feet).

In the end, everything did reach Bahrain on time, and the contractors suffered no significant delays. Those that did occur were due more to bureaucracy than the Gulf crisis itself," says one major con-

tractor.

R. (Randy) Campbell construction manager for Bechtel Ltd., the construction management consultants for the smelter expansion — says that the first aluminum was cast

The First and Only Name in Heavy Transport

eral Cargo Transportation, Heavy Lift Specialists, and Clearing/Forwarding.

Contact: Khalid Ali Turk, P O Box 26359, Bahrain. Telephone: 700165, Facsimile: 700164

from the new potline on June 1, one month ahead of schedule.

"This was due to the supreme effort of all the contractors who were always trying to beat the clock without jeopardizing the quality of their work," adds Mr. Campbell. The smelter will have a

major role to play in developing downstream industries and creating muchneeded jobs.

In the early days of the

Bahrain knew it had natural gas, but in those days it was simply burned off as a waste product. Mr. Shirawi believes about a dozen new ventures are under consideration. Encouraged by the efforts made by the Bahrain Marketing and Promotions Office and incentives offered by the Ministry of Development and Industry, some of these may begin in the not-too-distant future. Already, two auto-wheel factories are to start pro-

duction, and a new extru-

sion plant is slated to be-

gin operating

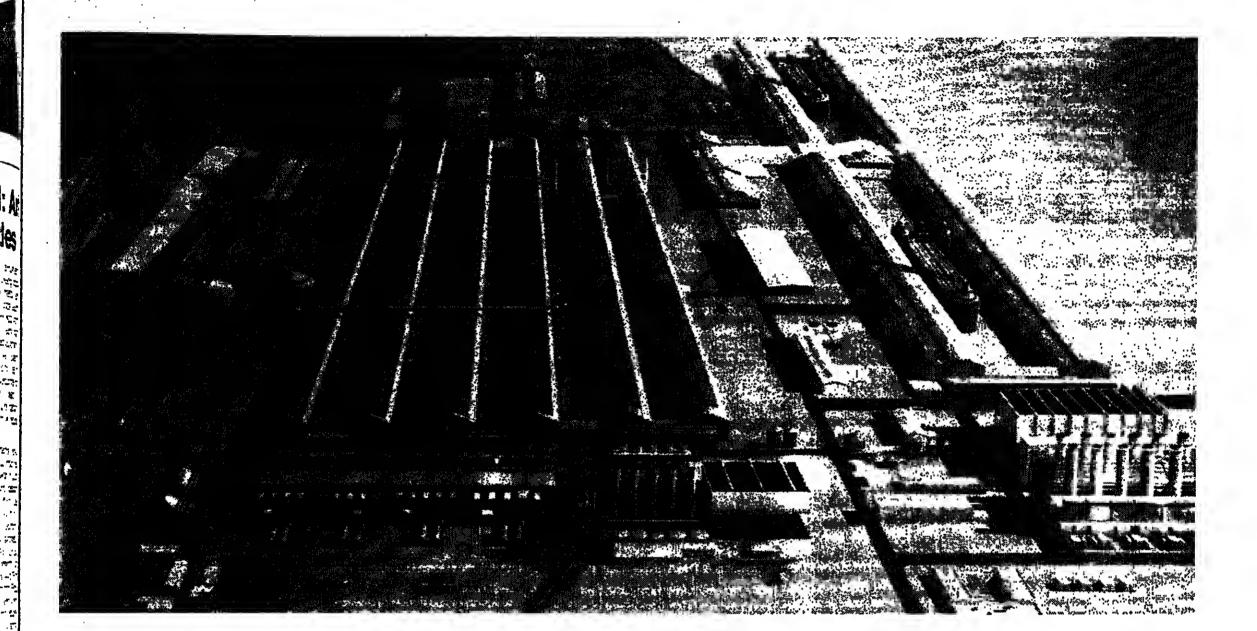
Mr. Shirawi dismisses the doubting Thomases with a wave of his hand. He is more than confident that the \$1.5 billion expenditure will be regained in five to six years. "We had hoped to create some 14,000 new jobs over the next 10 years," says the minister. "If we only succeed in creating 8,000 to 10,000 jobs, it will be won-derful."

Michael Frenchman



ADVERTISING SECTION

Striding further ahead on a proven track record



an arid wasteland, lifeless, parched and empty.

Today, that barren land has been transformed into one of
the world's largest, cleanest and most efficient smelters.

ALBA has successfully brought on-stream a 235,000 tonnes per year
smelter expansion and 800MW combined cycle power station,
further boosting the capabilities of this world-class producer.

Aluminium production capacity has doubled to 460,000 tonnes
per year, power generation capacity to 1340MW.

The Company has taken advantage of state-of-the-art
technology to target the highest international standards
of environmental protection and manpower efficiency.

Although the Gulf War broke out in the midst of construction, production
commenced one month ahead of schedule and within budget.

Such an unparalleled achievement is testimony to ALBA's proven track

Twenty-four years ago, the desert lay bleak and barren -

ALBA - Growth with Integrity. Aluminium of Distinction.

record as a reliable producer of superior quality aluminium.

(LJ)

Aluminium Bahrain P O Box 570, Manama, Bahrain. Tel. (0973) 830000 Fax: (0973) 830083

:-7 13% 6'7 6'4 12'4 13'7 4'5 17% 3'5 17% · · ·

quou the k rate:

the E

venir Venir

1 1

ERNATIONAL BOND PRICES 1627/2 8.57 98% 11.77 95% 11.72 105% 4.57 106% 9.37 100 9.66 下野の地方の原義を自然を持ちに関係のできたが、他のできたが、他のでは、「他のできたが、「他のでは、「他のできたが、「他のできたから、「他のできたから、「他のできたから、「他のできたから、「他のできたない」というない。「他のできたから、「他のできたから、「他のできたから、「他のできたから、「他のできたから、「他のできたない」というない。「他のできたない」」というない。「他のできたない」」というない。「他のできたない」」というない。「他のできたない」」というない。「他のできたない」」というない。「他のできたない」」というない。「他のできたない」」というない。「他のできたない」」というない。「他のできたない」」というない。「他のできたない」」というない。「他のできたない」」というない。「他のできたない」」」というない。「他のできたない」」というない。「他のできたない」」」というない。「他のできたない」」というない。「他のできたない」」というない。「他のできたない」」というない。「他のできたない」」というない。「他のできたない」」というない。「他のできたない」」」というない。「他のできたない」」」というない。「他のできたない」」」というない。「他のできたない」」」というない。「他のできたない」」」というない。「他のできたない」」」というない。「他のできたない」」」というない。「他のできたない」」」というない。「他のできたない」」」というない。「他のできたない」」」というない。「他のできたない PRIODICALENATION OF LEVEL STREET STRE 7.54.50 T.754.40 T.7512.10 C.7512.10 10% 96 10% 96 10% 94 12% 94 18% 93 Provided by Credit Suisse First Boston Limited, London, Tel: 322 40 00. Prices may vary according to market conditions and other factors. Nov. 27 104 % 16 % 194 % 74 61 164 % 172 04 1731 % B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P
B N P Ontario Prov
Ontario Onteres
Offeward Contario
Provida Gos
Prov A Berfo
Outbeck Trof
Guebec City
Guebec City
Guebec Nydro
Guebec Prov
Outbeck Prov
Cuebec City
Cuebec C 현실등 현실을 하는 기업을 하는 것이 되었다. 그는 사람들은 이 시에 사람들은 이 사람들이 STREET THE WAS A WAY TO STREET THE STREET ST LTCB
LTCB
LD Kredithk
LLC Boden W
LLC Boden W
LLC Boden W
LLC Boden W
LLC Boden Fin
Missi Fin
Mi The state of the s 法政务法院犯罪的表表之法 经成本上证明出产品由土土的各部的部分上的由与的土地 Yen Straights Canadian Dollars Abb Ned Tripes Albabi Ned Tripes Tra Abbey Ned Tripes Tra Abrew Ned Tripes Tra Abrew Ned Tripes Tra Abrew Ned Tripes New Adrices Dev Ba Tra Abrew Tripes Alac Shendi Aasan Dev Ba Tra Asian Teatro Manuel Teatro Tra Asian Teatro Tra Asian T 在主教者上事故事主義表式學教育等人的表生主义者是有意義之可由方式之本立法中心學也也是在全国的教育的主教者的自己教育人名英比古法国 5.16 APA 6.83 APA 6.8 Gaz De Fru

Gaz Mertus

Gaz Mertus

Gaz Mertus

Gecc

Gecc †22 |24 नेत्रेस्ट्रेस्ट्रेस्ट्रेस्ट्रे 4.99 7.78 7.36 7.37 4.94 7.13 11894 1674 1634 165 165 1674 1674 1674 1684 1684 1684 1684 164 表表古古古古古古古 古 Dolmi Denmi Denmark Denmark Den Bit. Dest Bit. Fin Deutsche Bit. 757744 +117 +107 +142 +179 East Mid Elector

East Mid Elector

East State

East State

Elector

Electo 11994 970 96 96 97 1076 97 1 いますまななないない Bonidokye
Bonidokye
Bonidokye
Bonidokye
Bonidokye
Bonidokye
Bonidokye
Bonidokye
Belghum
Belghu 物物が SAS COV
SECOV
SECO PIONIS WAS WITTED TO THE PROPERTY OF THE WAS A W +105 +115 +125 +125 +22 +172 9% 99 7% % 10½ % 10½ % 104 % 104 % +15 +16 +27 **去社会工程的** E.510 9.90 11.70 11.70 12.30 10.00 1 +111 +47 +113 がからなり からり いるはん +17 +125 功率高者的特別各名主主工工程的有效产者或存在成功的工工工程的可能不够加重的与主义主任的工程的存在 +1 +150 orante orante orante st inc 在北京市市市工程 外对特别的现在分词的 100mm 描 184 9 184 9 134 9 +73 1874 BV2 1874 +7½ +7½ +65 +65 立なとなるなるなるなる Photograph and the property of 972 61 9 74 1119 64 74 65 104 97 1824 1825/5 1044 4716 1044 1056/5 1 +13 **ECU Straights** NorTestwick NorTes **Pound Sterling** 立立を表され 744 92 1674 93 1714 91 1714 91 1874 94 1674 97 1674 97 1674 97 1674 97 13% % 17 01 1702 99 1072 99 1116 99 1116 96 14% 93 18 15 Abbey Noti Adb Adb Aidc Ai & Leic Aii & Leic Aii & Leic Aii & Leic Aiii & Aiii & Leic Aiii & Leic Aiii & Aiii & Aiii & Leic Aiii & 111% 112% 105% 105% 105% 112% 112% 112% 112% **为场际出口与法院场** 1474415477774 103% 100% 100% 107% 109% 100% 100% 101% +104 +104 +119 +104 +69 +64 +71 +116 101/2 31/4 107/2 9 7/4 91 NEW YORK (AP)— The following quoto-flors, supplied by the **MUTUAL FUNDS** Bid Ask Bld Ask Mid _ Ask Bld As Bld Ask Grigo p 7.32 7.77
Groin p 13.11 13.58
Hithis 2.67 31.27
Hithis 2.67 31.27
Hithis 12.67 31.31
HYAGO 1.73 10.22
HORSTO p 6.54 7.25
HORSTO p 6.54 7.25
HORSTO p 9.15 9.77
AMOTIXI P 9.00 9.45
MUTIXI P 9.00 9.45
MUTIXI P 8.00 9.45
MUTIX 10.70
NW Opp 16.21 19.32
NW Opp 16.22 19.32
NW Opp 16.22 19.32
NW Opp 16.22 19.32
NW Opp 16.22 19.32
NW O Tacts o 12.18
Tacins o 11.26
Tacins o 12.27
Tacins Unovoil
Unovoil
Unovoil
Unovoil
Unovoil
15.37 19.24
15.57 19.24
15.57 19.24
15.59 15.57
19.34 12.31
10.79 NL
10 Bond p 13:00 14:59 Comilis p 31:04 32:89 Comilis p 31:04 32:89 Comwo p 15:21 15:79 Euroc p 22:59 34:58 Fédinav p 17:16 18:21 Govft p 13:89 14:58 Govft p 24:24 25:72 H1 Tr p 14:48 15:12 Incom p 13:81 14:58 Incom p 13:81 15:81 Incom p 13:81 15:81 Incom p 13:81 15:81 Incom p 13:81 15:81 Incom p 15:81 15:81 Vol7 m
Excelled
Excelled
Excelled
FAM Vol
FBL BYC 1
FBL Gm1
FFB Lexible
Capane
FFBL FFBL
FFBNJ
PMB Fund
DivEC 1
DivEC 1
DivEC 1
Intig 1
MTF p
Intig 1
MTF p 14.21 14.93 wnove31 1 uneve11 14.22 14.22 uneve11 14.71 14.71 uneve31 10.58 NL 10.44 NL Group: Income last Fd last Fd last Fd last Fd MAMB NYTOX OHTOX OHTOX GOOLG ST Gibl TXF-H Z-7000 patrist IR Ast A f Block f Band f **Transport***

**Bodian in 12:96 72.48

**Bodian in 12:96 72.48

**Ender 1 12:96 72.49

**Grinc 1 18.06 1 10.48

**InsiGov 1 10.25 1 10.25

**InsiGov 1 10.25

**InsiGov 1 10.25

**InsiGov 1 10.25

**InsiGov 2 GvinA GwithA CaoGrif Gvin8 i Gwith8 i Mulnos aphtoiFi apstone CshFr Fd SW Gvilno MedRs PBNG Trend ardni Figures as of close of trading Friday, Nov. 27. 7.57 NL fn 11.18 NL kmensione
US Lre 1
US Sell
US 4-10
Jopan
US 4-10
Jopan
Cont
Fixe 1
Glad 1
Govt 1
Jordan
Jorda PICEROS III.
PIMCO Funcis:
Growth 13.98
Londay 10.30
LOII 10.12
ShortT 10.25
TRIII 10.25
TRIII 10.25
TRIII 10.25
TRIII 10.25
IdaEq p 10.39
IntGv p 10.17
Intilize p 74.
Mugil u 10.45 ZZZZZZ 5pEq 118 1141 7A Gov 10.44 11.85 TXAHY 1.77 1.78 US Gov 7.17 7.40 UHIS 93 957 VA TF 11.21 11.20 rorskin Med Tr; CPQuip 22.78 24.41 InvGdp 25 9.22 RESCV 8 14.08 14.73 irrecort Funds; 2017 10.59 18.47 20.14 206 9.43 806 9.43 806 9.43 4.55 4.66 1.75 4.70 1.75 4.70 1.75 4.70 1.75 4.70 1.75 4.70 11.93 17.29 10.91 15.44 Strap MIMLIC ASIAII INVISC MSB Fd Cussi i Cussi i Cussi i Inti I TRETT i TORF i Evidone A Aulincia Aust in CAI unavail unavail unavail 11.93 11.19 8.00 8.00 (merica; 9.16 9.55 8.63 8.74 9.76 18.11 9.80 9.82 unavail 10.06 NL 10.36 NL 10.22 NL 12.08 12.39 10.48 10.57 Idex 3
Tofine
)5 Group
BluCap
Bond p
Cal p
Office p
Office p
Equal 1 14.45 11.45 N.L Group; 11,44 12,61 18,24 19,15 4,81 4,81 14,54 77,39 8,80 9,24 14,67 14,77 13,27 14,44 Actony AsionE Bal EmGr EgGr EgGr nds: p 11.57 12.06 1 11.57 NL p 10.11 10.42 18.11 NL 10.91 10.95 10.45 10.91 9.91 18.12 1.22 11.90 0.14 10.67 DITECT 150 157 11.5

PATE 150 157 12.5

STITUS 150 177 11.5

TOUR 15 150 11.5

USG 9 10.6 11.4

Adis 1 150 16.3

Geost 1 11.4 11.4

Geost 1 TEVA 5 12.22 13.21

TEVA 5 12.22 13.21

Whith a 16.41 17.22

A Giffield unrough 1.17

A levits 5.33 5.36

A Herits 1.17

A levits 5.31 5.56

Amer Neat Funds: unrough 1.17

Bond 11.27 11.29

Bond 11.27 11.29

Bond 11.27 11.27

Bond 12.21 11.34

Amulting 27.29 11.34

Amulting 12.27 11.35

Amulting 12.27 11.37

Amulting 12.29

Am Comision (2.44 13.31 Comothe (2.44 13.31 Comothe (2.44 13.31 Comothe (2.44 13.31 Comothe (2.45 13.31 12.32 Comothe (2.45 1 ### 10.23 10.37 NL
10.23 10.37 NL
10.24 11.32 NL
10.24 NL
10.24 NL
10.24 NL
10.24 NL
10.25 NL
10.25 NL
10.25 Edito 1 14 444

Edito 1 147 445

Edito 217 714

Edito 217 717

Edi GENOCE PERS 1975 TOTALE AND NAME OF THE AND NAM SEE 19 11.11 13.79

SEE 19 11.11 13.79

PORTICE NOTITION 11 11.79

PORTICE NOTITION 11 11.79

PORTICE NOTITION 11.79

CATTP P 14.41 15.79

CATTP P 14.41 15.79

LUS GY 10.58 10.72

PORTICE PORTICE 11.18 11.79

APPEND 18.18 11.28 Grince 28.94 NL
HO Bid 16.13 NL
TAFBID 17.27 NL
BERNOTE 10.88 11.07
Grince 10.88 11.07
Gr TRESON TO THE PARTY OF THE PART Devives:

A Bond

A Bo

UnitA i SmBrShi SoGen SoundSh SAM SC SAM Vol SCAMBF SPISIK BUNCOOK ASIAI CA TF GNMA Gibine USGOWI VRG KarbrstG Unavou enovoli 10.33 10.62 11.34 11.67 13.98 14.44 1 big Inda a

推动了 6. 供 有病病 经直收股 6. 供助 6. 代 身下了的男性说的现在分词 对我们 的现在分词 医动物性的现在分词 医二种二种

1650年,1650年

Jop Air Jose Der Bit Jose Ber John 11-1 Jo

Bld Ask

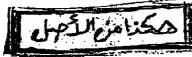
13.05 13.75 13.75 13.75 13.86 11.75 11.75 11.76 11.77 11.78 11.78 11.59 11.59 11.59 ************ Mid Asi

Section 5

CURREN

Values

Converte HarInterference Many
Interference Many
Interfer School Section Section



CAPITAL MARKETS

A Year-End Truce Stills **Attack on EC Currencies**

By Carl Gewirtz

al Herold Tribune ARIS - A long-rumored financing for Britain, part of its operations to rebuild the reserves lost in September's unsuccessful effort to keep the pound in Europe's exchange-rate mechanism, is expected to emerge this week. A jumbo bond issue of at least \$4 billion is likely to be the last major financing on the international capital market this year.

Bankers see a "window of opportunity" remaining open for the next 15 days, after which the market will turn to the year-end closing of the books and holidays.

Although market rumors had Britain weighing the possibility of issuing in French francs —

highly unusual given the rivalry flare in the new year if between London and Paris the dollar and Deutsche mark markets capable of absorbing such a large issue.

the Bundesbank sectors are currently the only doesn't act. As Britain tapped the DM sector for 5.5 billion DM last month, it is expected to turn next to the dollar market.

The dollar and DM bond markets are benefiting from renewed

iitters in the currency market. Although there were no fireworks in that market after last

weekend's devaluation of the Spanish peseta and the Portuguese escudo, it is evident that tensions persist.

The Irish punt, the likeliest candidate to devalue next, remained

near its permitted floor despite overnight interest rates of 100 percent and exchange controls. Short-term interest rates in France and Denmark have been increased but pressure persists on both

T PRESENT, however, the foreign exchange market is no A mood to go on the attack. Traders have scored huge profits from the autumn turmoil and are said to be leery about risking annual bonuses by undertaking costly new positions so close

"We've got a maximum of only two weeks left before we effectively close for year-end and we're not taking positions, we're only doing commercial business," the head trader at a big European

The consensus view is that tension will flare up at the start of the year if the Bundesbank by then has not dramatically lowered its interest rates. But Paul Chertkow at UBS Phillips & Drew in London warns it could even begin earlier, after the Bundesbank's last policy-making meeting for the year on Dec. 10.

"In the absence of even modest cuts in official German interest rates at the next council meeting, the foreign exchange market may conclude that the Bundesbank no longer supports the European monetary system, triggering capital outflows from Denmark and France on a scale sufficient to force the suspension of the krone and the franc from the exchange rate mechanism," he said. The fundamental issue, all agree, is the unsustainably high level

See RATES, Page 23

THE TRIB INDEX

Week ending November 27, daily closings. Jan. 1992 = 100.

compiled by Bloombern Business News.

Industrial Sectors/Weekend close

ies, the ten top stocks are tracked.

Capital Goods

Raw Materials

The Index tracks U.S. dollar values of stocks in: Tokyo, New York,

London, and Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Hong Kong, Italy, Netherlands, New

Zealand, Norway, Singapore, Spain, Sweden and Switzerland. In

the case of Tokyo, New York and London, the index is composed of the 20 top issues in terms of market capitalization. In the remaining 17

Energy 90.16 91.35 -1.30

Utilities 85.75 85.51 +0.28

Finance 81.36 80.37 +1.23

Services 99.10 97.74 +1.39

itional Herald Tribune World Stock Index, compose of 230 Internationally investable stocks from 20 countries.

84 Asia/Pacific

En Masse, Americans Deck the Malls

By Stephanie Strom New York Times Service

On the day after Thanksgiving, the busiest shopping day of the year, crowds in American stores were bigger than they had been in the last two or three years and shoppers seemed to be spending more than in the past, retailers said

over the weekend. Consumers thronged shopping areas from Herald Square in New York to State Street in Chicago to Union Square in San Francisco. Although many were just looking, checking prices and searching for gift ideas and good deals, retailers were delighted by the turnout.

The period between Thanksgiving and Christmas is crucial to retailers. Many stores make as much as 40 percent of their annual sales and 50 percent of their profits during those 20-odd days.

[At least one survey seemed to show the increase in Friday's sales was substantial, Bloomberg Business News reported.

[A survey based on consumers who use checks to pay for their purchases showed that sales on Fri-day increased 5.1 percent over the

But Tool Orders Fall Off

WASHINGTON - U.S. machine tool orders declined 24.9 percent in October from September as the weak economies of the nation's trading partners cut exports in half, an industry group said Sunday. Orders for machine tools, which include metal cutting and metal forming instruments, are a barometer of industrial production and capital spending by factory owners.

International Herald Tribune, Monday, November 30, 1992

Compared with a year earlier, October 1001 orders were down 7.8 Export orders phanged 54.4 percent to \$22.95 million after more than doubling in September. Domestic orders declined 18.3 percent to \$184.15 million, after advancing 66.2 percent in September.

"The drop-off in export orders, although disappointing, is not

surprising given poor economic growth in our major export mar-kets," said Albert Moore, the association's president.

Foreign machine tool orders will likely deteriorate further because

of the higher dollar and slowdowns overseas, said Jean Sundria, a private economist in Alexandria, Virginia. But she added, "We should see domestic demand increase as the economy improves."

crease in national sales indicates season and probably will post a that this season's shopping should be better than last year's," said William Ford, economic adviser at Despite recent signs of an econo-Houston-based TeleCheck Ser-vices, which does the survey. "Re-said they would still be spending

Despite recent signs of an econo-

Harry, an accountant, who was in-terviewed in Herald Square. "I have a job, I have my health, I have strength. But I have a lot of friends who are out of work with trouble putting food on the table, and that makes me think twice about spending a lot of money."

Profit:

Not everyone, of course, is caunous. Some people questioned Fri-day said they would spend about as much as they did last year, and a few even said they would spend more.

And merchanis took heart, with notes of enthusiasm in their voices for the first time in two years as they described the season's kickoff.

"It started with a bang," said Ken Dardis, the operational vice president for Home Depot's stores in the Northeastern United States. "Today was an absolute zoo; by 9 o'clock, the stores were just rocking."

Clark Johnson, president and chief executive of Pier I Imports, a specialty store chain selling housewares, said sales Friday might ex-ceed last year's day-after-Thanksgiving sales by 15 percent.

The co-chairman of R.H. Macy & Co., Myron E. Ullman 3d, said that shoppers were using the

Kohl Presses Tax Plan and **Solidarity Pact**

BONN — Chancellor Helmut Kohl, pushing the idea of a "solidarity pact" among government, business and labor unions to speed recovery, pressed Sunday for rapid enactment of new taxes that would

come into effect in 1995. Mr. Kohl, in a radio interview, said the imposition of an income tax surcharge was a "possible solntion" to the problem of financing Eastern Germany's debt of 400 billion Deutsche marks (\$250 billion).

"I simply cannot imagine how we could get that money from the present budget," the German lead-er said. "We have to find some additional revenue sources.

"I would like to finalize legislation in the first half of 1993, so that everybody can see what will be happening to him in 1995," Mr. Kohl said, reiterating his opposition to bringing in new taxes now.

Government, industry and unions have for months been discussing plans for a pact that would help meet the costs of German unification and pave the way for lower interest rates.

On Sunday, Mr. Kohl said the pact should be ready by the end of the year, and should emphasize maintaining a strong mark and promoting economic recovery in Western Germany, before asking West Germans for new sacrifices on behalf of reunification.

Mr. Kohl said wage increases last year of between 5 and 6 percent were too high. "Anyone who looks attentively at the outside world knows the wage round last year was decisively too high, he said.

The high wage increases contrib-uted to German interest rates remaining uncomfortably high, which hampered economic growth abroad.

Mr. Kohl said that only if Western Germany's economy quickly recovered would the government have the means to finance East German reconstruction.

Tax revenue has been falling, widening the budget deficit, as the economy slowed in the third quarter.

repaid immediately. The debtor thus gets time to reorganize his or her finances, or is "We have to do everything possible to get the economy, especially in the West, back on its feet as quickly as possible," Mr. Kohl said.

In such a difficult economic situation, where companies are laying off workers," he said, "one of course cannot raise costs, but instead has to cut costs. That's wby 1 am strictly opposed to raising taxes (AFP, Renters)

Volkswagen AG will have an op-erating loss of 1.11 billion DM in 1992, Der Spiegel reported.

But a VW spokesman said there was "nothing new" about the company's results, adding, "We have known for quite a while that our costs are too high and our productivity too low.

He noted that VW never gives details of operating results.

Last Tuesday, VW said group net profit fell 12.6 percent to 549 million DM in the first nine months of the year.

day after Thanksgiving in 1991. ["Although one day doesn't ter than the 1.8 percent increase make a season, the percentage in recorded during the 1991 holiday you have to cut back," said Glenda Macy's charge card more than any time in recent memory. U.S. Bankruptcy System Owes Itself an Overhaul

By David S. Hilzenrath and Michelle Singletary

Washington Post Service WASHINGTON - One day in 1990, as Donald Trump tells it, he and the model Maria Maples were strolling along New York's Fifth Avenue when they passed a beggar. "You see that man? Right now he's worth \$900 million more than me." Mr. Trump said. "Right now I'm worth minus \$900 million."

After a decade of profligate borrowing, Mr. Trump lacked the cash to make his loan payments. Although he owned hotels, skyscrapers, casinos and an airline, his debts exceeded the value of his properties by hundreds of millions of dollars.

His lenders could have forced him into personal bankruptcy and stripped him of almost everything. But that didn't happen. Instead, the bankers and investors to whom Mr. Trump owed money made a series of deals that left him wealthy. They let him keep some properties and took control of others, and they reduced his personal debt by about \$750 million, more than four-fifths of the total.

It wasn't done out of charity, though,

Rather, the lenders were reluctant to confront Mr. Trump in bankruptcy court, where they would face years of delay and massive legal expenses. In the end, they feared they would recover less money in bankruptcy than they could get by striking compromises.

What happened to Mr. Trump is a testa-ment to a breakdown of America's bankruptcy system, according to bankers, law-yers, accountants, academics and other experts. The system has become such a quagmire that lenders are going to great lengths to

When Congress last overhauled the bank-ruptcy laws in 1978, it sought to make it easier for people and businesses to recover from financial ruin, But in practice, the system Congress created favors debtors over creditors, the people who owe money over the people to whom it is owed, many special-

"The system is broken," said an associate who helped Mr. Trump use the system to his advantage. "It's the system that gives power to the debtor where it shouldn't."

Michael C. Jensen, a Harvard Business
School professor, said debtors enjoy such a

strong position that creditors "have to buy them off."

Some borrowers who go broke negotiate deals that enable them to avoid bankruptcy altogether. Others get caught up in bank-ruptcy proceedings but hold on to small fortunes because their lenders get ured of

When Congress adjourned last month, its unfinished business included a bill that would have helped streamline the bankruptcy system and eliminate what critics say are flaws that benefit borrowers like Mr. Trump. The bill was designed in part to help ease congestion in the nation's bankruptcy courts caused by record levels of personal-bank-

ruptcy filings. Most important, some say, was the bill's provision for Congress to appoint a blue-ribbon commission to study the problems of

the bankruptcy system. Some lenders who supported the bill viewed its demise as the end for now of any hope of reducing the cost of bankruptcy and speeding up a process that can drag on for years. When an individual or business enters bankruptcy proceedings, legal protection is obtained that keeps creditors from being

What a debtor ultimately gets to keep varies from state to state. Generally those who seek bankruptcy protection are allowed to keep a modest amount of cash or personal property, and a residence, as long as there is not much equity in the home. The intent of

forced to sell off assets for the benefit of

bankruptcy is to give debtors a fresh start rather than to leave them destitute. But under the current system, critics say, Report of Loss at VW the debtor receives too much protection, The American Bankers Association, for example, contends that the bankruptcy code grants debtors too much control of the process at the start. That results in cases continuing for so long that the value of the debtor's assets crodes, according to the asso-

Debtors also can hold on to property too long, and are often allowed by judges to extend the time for filing a plan that explains

ciation, and fewer dollars are paid to banks and other creditors once a bankruptcy is

See BANKRUPTCY, Page 23

London Notebook

Is British Trade Heading Down a 'Black Hole'?

Britain is about to fly into a statistical black hole and the timing couldn't be better. Amid growing concern over its swelling trade deficit, the government will sidestep the issue by not publishing figures for trade with its European Community partners for at least the first six months of 1993.

Government statisticians blame the single European market — due Jan. 1 — for the forthcoming lacunae. As of that date, the government will ask British companies to fill out forms on trade with the Continent that will take the place of the old reporting system, which was based on import taxes and

The problem is that the government fully expects it will take months to get the 30,000 companies that will fill out the new questionnaires to do it right. Rather than publish flawed data, the government will simply forego the exercise, leaving both policy and private sector analysts in the dark.
"It will no doubt upset all the economists

who seem to regard these numbers as essential parts of their bibles," said Mark Thom-son, a spokesman for the Customs and Excise department, which collects the data. Better yet: The trade statistics for Britain's trade with the rest of the world will continue

to be published. Economists say those num-bers are likely to make for far cheerier reading than those for trade with the Community, Next year, as European growth continues to slow, economists expect Britain's deficit to yawn ever wider. In contrast, a U.S. recovery is expected to prove a boon to British exports. Statistics on that, of course, will be readily available throughout 1993.

A Sony 'Part' Rebels Are rock-and-roll musicians merely inter-changeable bits of "software" in the eyes of

their record company paymasters? British rocker George Michael thinks so.

Earlier this month, Mr. Michael announced that he was so dissatisfied with the state of affairs at Sony Music Entertainment (UK) Ltd. that be was going to take them to the High Court in attempt to have his recording contract with the company thrown out.

Mr. Michael found himself working for Sony by accident. Ten years ago, when he was half of the pop group "Wham," he signed up with CBS Records, which was subsequently

"Since the Sony Corporation bought my contract, along with everything and everyone else at CBS Records," Mr. Michael said in a statement, "I have seen the great American music company that I proudly signed on as a teenager become part of the production line for a giant electronics company."

Chris Poole, Mr. Michael's spokesman. says that his client would rather never record again rather than record for Sony.

Sony takes a markedly more upbeat view. In London, a Sony spokesman quoting what he called the "official response" of Sony U.K.'s American parent. "Together our relationship with him has

been mutually fruitful," the statement said. It went on to say that Sony's contract with Mr. Michael was "valid and legally binding" and that it was the intention of the company to vigorously defend it," Sony is not the only company having diffi-

culties with its talent these days. Recording giant Thorn EMI PLC, which last March acquired Virgin Music from its founder, Richard Branson, has this month seen the defections of two key Virgin executives.

Insolvency Sells

Barbara Frener is one of the few Britons in recent months to have found inspiration in the headlines of the local business press. The daily litany of layoffs and retrenchments is depressing stuff, unless you're thinking about starting np a publication called "Insolvency

"Reading the papers today, no one could deny there is a market there," said Ms. Frener, editor of IB, which rolled out its first issue last month. With such articles as "Insolvency Fees: What is the Recession Paying? "Bailiffs: The World's Second-Oldest Profession Speaks Out," the 24-page monthly has met with early success.

The buoyant state of the insolvency business it covers poses some delicate problems for IB's editors, however.

"We try not so much to say it is a booming industry so let's all get together and cele-brate," Ms. Frener said. "Still, insolvency is a very big business and it is profitable.

Greening of the Metals

A half-century ago, Britain still had its empire, the London Metals Exchange was the largest metals market in the world and none dared question the propriety of all of its prices being quoted in sterling. Now they do. On Nov. 11, the LME, which still ranks as the world's largest metals exchange, an-nounced that all of its contracts would be

quoted in dollars as of July I. "The all-embracing currency people want to work in is the greenback," said Mike Cot-terill, an LME manager. "We are just reflect-ing what the world wants."

Ireland Holds Firm On Value of Punt

speculation over the weekend about an imminent devaluation of the punt and reiterated its determination to defend the currency within Europe's exchange-rate mechanism.

Bertie Ahern on Saturday briefed cabinet colleagues on meetings in Brussels about the turmoil on European currency markets. EC foreign and finance ministers met Friday to discuss budget and other

ment policy in this regard is unaltered," one official said.

Mr. Ahern had earlier denied market rumors that Ireland could devalue as early as this weekend after Wednesday's elections prompted uncertainty over the for-

Fail administration remain as a caretaker government until the Dec. 14 deadline for selecting a new coalition. Negotiations are not expected to be concluded before that date. Officials said Saturday that the cabinet "recognized its re-sponsibility in maintaining stabil-

ity pending the formation of the

The punt has been stuck at its lowest permitted level against the Deutsche mark in the ERM since Spain and Portugal devalued their currencies in the grid a week ago.

Irish interest rates have soured, with the central bank planning to charge 100 percent overnight inter-est rates starting Monday on excess borrowings of punts, to stem speculation in the currency. Commercial bank rates to customers have already begun to climb.

And Irish exporters, whose principal market is Britain, are com-plaining about their declining price competitiveness there since the pound's devaluation in September.

On Friday, the vice president of the Bundesbank, Hans Tietmeyer, said that the German central bank would defend the punt and the Danish krone within the ERM "according to the rules of the system." The krone also has come under pressure in the past week.

Still, Bundesbank officials made similar statements about the British pound up until it was devalued in September, traders said.

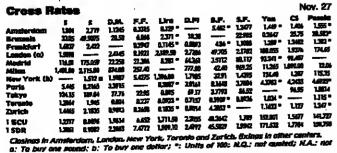
CURRENCY RATES

91.12 88.59 +2.86

88.84 88.29 +0.62

98.96 92.91 +4.36

Consumer Goods 92.61 92.70 -0.10



Carrency Per 5
S. Afr. road
S. 60r. road
S. 60r. road
Swed. larons
Carrency
Thol boar
Tunicish live 8130.08
UAE dirinam 3.4722
Vestez. boliv. 78.05 Currency Greek drec. Home Kone S House, farial leading rando Irak C Hardell Stalk. Kowatti dinor Akalay, ring. Per \$
2590.00
\$ 1,9429
\$ 6.54
25.29
14706.
141,70
\$ 447,90
2,7495
L637 Per 3 208.98 7.7395 \$1.97 28.33 2060.50 0.6117 2.6774 4.2599 2.5313 Currency Mass, peed N. Zeedand S Norw. Erooe Phil. peed Polish ziely Pert. escudo Russiam rusia Scardi riyat Sing. S

Forward Rates 39-day 48-day 79-day 1-5121 1-5162 1-5291 1-6171 1-6167 1-626 1-6513 1-6511 1-6571

Paris Aide Likens Farm Veto Threat To the Big One

PARIS - The French threat to veto a world trade deal to win farm concessions from the United States is like a nuclear deterrent it hopes it ssions from the United States will not have to use, Industry and Trade Minister Domioique Strauss-Kahn said Sunday. Mr. Strauss-Kahn said that the

farm trade accord between the United States and the European Community, which Paris has re-jected, could still be renegotiated in the broader General Agreement on Tariffs and Trade talks. But he warned, "If France has, in one way or another, to vote on what

is proposed today, it will vote

He said Prime Minister Pierre Beregovoy's pledge to veto a GATT deal that would include the current farm accord was not an empty threat "I would compare it to a nuclear deterrent," he said. "One must try to have it and not

ADD FULL EFFICIENCY TO YOUR BUSINESS TRIPS **CHOOSE THE AEROLEASING CLASS**

Worldwide destinations to vour own schedule, in total comfort and confidentiality on board our modern fleet of jets with swiss reliability



Europe 41 22 798 45 10 1 201 993 93 93 65 733 53 24 Asia 7 044 216 44 78

aeroleasing sa

DUBLIN - Ireland dismissed

Officials said Finance Minister

The Irish cabinet decided to make no policy change. "Govern-

mation of a new government. He and the rest of the Fianna

State-of-the-Art **Television Broadcast** and Studio Equipment

MAJOR AUCTION SALE DECEMBER 814

Over 8 million dollar valuation of Eidophor 5070 projection system Ku Band satellite uplink and

current generation TV broadcast and studio assets surplus to the continuing operations of The Christian Science Publishing Society. Highlights include...

• Sony 8VP-270 & ENG camera (75) Sony Betacam SP & D2 VTR's On-Air master control system

Sony D2-LMS

Chyron Infinits & Ampex ADO-1000s Leitch still stores, DI & NTSC • (5) fully equipped basic edit system Complete news update control room Sound sweetening room with

Ken Bergman for details. 1-800-421-2144 ScreenSound The Rabin Brothers Auctioneers 660 Third St, San Francisco, CA 94107 415-543-9500, FAX 415-543-2578

MACOM 12GHz microwave package

Computerized lighting systems

Sony & Ikegami monitors

intercom systems

Tektronix test & monitoring gear

Cete: Vega wireless mikes and RTS

Extensive ENG camera equipment

including tripods, audio & battery

Preview: Sat, Dec 5 & Mon. Dec ", or

preview kits and itemized inventories

are available. Contact Paul Roder or

gear, and lighting packages

earlier by appointment. Video

المكنا من الاحل



Compiled by Laurence	Department		161			Issues
Isauer	Amount (millions)	_ '	Coup %	Price	Price end week	Тепте
Floating Rate No	otes					
Eagle Four	\$121.60	1996	0.80	100	<u></u>	Over 6-month Libor, Noncollable, Fees 1%, (Daiws Europe
Finnish Export Credit	\$200	1996	1/2	100		Over 3-month Libor. Collable at par from 1994, Fees 0.201
Rababank Nederland	\$150	1997	0.35	101%		Solomon Brothers Inf'L) Over 3-month Libor, Coupon will never fall, and will not ri by more than 0.25 at a time. Noncollable, Fees 1974, (Marga
Rababank Nederland	\$ 50	2002	14	994		Stanley Int 1.) Below 6-month Libor. Minimum interest 5%, recoins 8%. Noncollable. Fungible with outstanding issue, raising land
Société Nationale des Chemins de Fer François	\$150	2002	1/4	99.30		\$150 million. Fees 0.50%. [UBS—Phillips & Drew Securities.] Bellow 6-month Libor. Minimum interest 51/36, maximum 81/4 Noncolloble. Fees 0.50%. (Kidder, Peobody Securities.)
Cardiff Automobile Receivables Securitization No 2	£185	1997	0.45	100		Over 3-north Libor, Reoffered at 99%. Noncollable, Fees n disclosed, Denominations £10,000. (Goldman Sochs Inf L)
Kubota	Y 15,000	1997	0.35	100		Over 3-month Libor. Noncollable. Fres 0.30%. Denomination 10 million yen. (Daiwa Europe.)
Fixed-Coupons						
African Development Bank	DM 300	1997	71/2	101.%		Reoffered at 100,085, Noncollable, Fees 2%, (DG Bank,)
European Coal & Steel Community	DM 217	1997	71/s 	1011/2		Noncollable. Fees 1966. (Commerzbasic.)
Konsoi Electric Power	DM 500	1997	71/4	101%	_=	Noncolloble, Fees 2%. (Dresdner Bonk.)
Kyushu Electric Power	£150	<u> 1997</u>	8	99.80	99.30	Noncollable. Fees 0.275%. (S.G. Worburg Securities.)
Losmo	£100	1999	91/2	99.76		Noncollable. Fees 0.375%. Denominations £10,000. (UBS- Philips & Drew Securities.)
World Bank	£200	1998	71/4	99		Noncolicible, Fees 0.275%. (Baring Brothers.)
European Investment Bank	FF 1,000	2002	3%	102.26	102.10	Noncollable. Fungible with outstanding issue, raising total to billion francs. Fees 0.325%. (Societé Générale.)
Société Générale	FF 500	1996	814	100.20		Reoffered at 98.825. Nancollable. Fees 196%. (Societé Géné ale.)
Fortis Finance	DF 350	2002	7%	100.40		Reoffered at 99.65. Noncollable. Fees 1%. (ABN Amra.)
KB Deutsche Industriekredit Bank	DF 200	2003	8	100.60	_	Reaffered at 99.95. Noncollable. Fees 1%. (Rabobank Nede land.)
Federal Business Development Bank	C\$ 100	1996	71/4	99.90	98.30	Reoffered at 98%. Noncollable. Fees 146%. [Wood Gundy.
Inter-American Development Bank	Y 50,000	1997	43/2	99.728	_	Noncolloble. Fees 0.25%. [LTCB Int'L]
Japon Airlines	Y 50,000	2003	5.60	101.90		Reoffered at 100.30. Noncallable. Fees 2%, Denominations 1 million. (Nomura lat1.)
NKK	Y 20,000	1999	5.30	101.80	_	Reoffered at 100.275. Noncollable. Fees 1%%. Denomination 10 million yen. (Nomura Int'l.)
NKK	Y 20,000	2000	5.40	10134		Reoffered at 100%. Noncollable. Fees 17/%, Denomination 10 million yen. [Daiwa Europe.]
quity-Linked						
Abbey Healthcare Group	\$ 75	2002	61/2	100	-	Semiconocally, Noncollable subordinated notes. Convertible a \$19.55 per share, a 15% premium, Fees 36%. (Count Natwest Securities.)
Daiwa House Industry	\$300	1996	2%	100	99,50	Noncollable. Each \$5,000 note with one warrant exercisable into company's shares of 1,415 yen per share and at 1245 yen per dollar, Fees 24%, (Nonwra 1nf1.)
Matsushita Electric Works	\$300	1996	234	100	100.50	Noncollable, Each \$10,000 note with two warrants exercitable into company's shares of an expected 25% premium Fees 25%, Terms to be set Dec. 3. (Yamaichi Int'l Europe.)
Nishimatsu Construction	\$150	1996	2%	100	102.00	Noncollable. Each \$10,000 note with two warrants exercible into company's shares of an expected 29% premium Fees 29%. Terms to be set Dec. 1. (Yamaichi Int') Europe.)
Olympus Optical	\$400	1996	2%	100	99.50	Noncolloble. Each \$10,000 rate with two warrants sucreit able into company's shares of an expected 25% premium Fees 25%. Terms to be set Dec. 1. (Yamaichi let'i Europe.)
ľomoku –	\$70	1996	2%	100	-	Noncollable, Each \$10,000 note with two warrants exerci- able into company's shares at 546 year per share and at 124.9 year per dollar, Fees 24%. (Nikko Europe.)
raohan Japan Corp.	\$100	1996	294	100	101.50	
National Westminster Bank	£200	perpt	11%	100.851	-	Semigrautily, Subordinated notes collable after 30 years Convertible by issues into new preference shares poying a dividend of 8.392%. Fees 0.73%. (Nativest Copital Markets.)

RATES: Year-End Truce Stills Attack on Currencies

(Continued from first finance page)

of interest rates. "Interest rates are too high for the current economic environment in Europe," said Laurence Kantor, chief European economist for J.P. Morgan in Lon-don. "The ability to defend ex-change rates by increasing interest rates is very limited."

The only way to relieve the tension, he added, "is a very large ent, about 1 percentage point, in interest rates — and this is unlikely."

The only chance of such a substantial cut in time to avert another currency crisis, analysts agree, is if the German government products its long-awaited "solidarity pact" to clamp down on wages. Such a package would open the way for the central bank to relax its credit

Failing that, said Christopher Potts at Banque Indosucz in Paris, the only way to stop an attack against the franc in the new year locked in a range of 1.55-1.62 DM. might be a dramatic political gesture. One such gesture would be for the French government to give the Bank of France its independence, a step that could be followed by a pooling of reserves with the

Unless some external event changes the climate, the outlook for an imminent German cut in rates is low. The Bundesbank's vice presi-dent, Hans Tietmeyer, said last week that "the problem of excessive cost and price rises in Germany has not yet been solved to our satisfaction" and that monetary policy will have to maintain its anti-inflationary course.

Expectations of no imminent capping the dollar's ability to move shead. Currently about 14 percent

Although the latest U.S. economic data has been more upbeat than most economists had been expecting, analysts are wary that the statistics may be exaggerating the underlying strength of the economy. They warn that the Federal Reserve may lower interest rates yet again — a move that would unnerve the exchange market.

Reading the latest data, analysts at J.P. Morgan say that "at best, they signal a moderate pickup in growth, at worst another false alarm. So far, evidence of a pickup is oot convincing and the trend of slow growth probably remains intact."

Given the dollar's inability to change in German policy also are move higher, traders warn it could capping the dollar's ability to move interest rates. But the traders also above its low for the year against add that such a pullback would the mark, the dollar has been unable to climb above 1.62 DM and is really cheap dollars.

RUSSIA: Economic Doom Defied, but Politics Looms

credit provided to big enterprises, avoiding hyperinflation and stop-ping the drop in industrial produc-tion — Western officials are more optimistic that Mr. Gaidar can keep to the essentials of his economic program.

The government's up-and-down

negotiations with parliamentary leaders, the head of the central bank and Civic Union is producing the outline of a more interventionist economic program that the West can accept, Western diplomats say. As a result, industrial policy will be a more protectionist than was originally preferred by the West and its multilateral lending institu-tions, with a higher level of longerterm government credits provided

to state-owned enterprises and a larger budget deficit. But Mr. Yeltsin and Mr. Gaidar also are trying to appeal to managers who are eager to move to the free market, telling them that there will be more help for those industrialists who want to privatize,

Last Thursday, Mr. Gaidar promised a half trillion rubles in modernize and compe longer-term credits in 1993, half to help military industries convert to civilian production and half for "promising projects," especially in light industry and metallurgy. This also is a way to divide Civic Union, whose industrialist members are thought to be less monolithic and more reform-minded than Mr. Volsky has preferred to

acknowledge.
Mr. Yeltsin and Mr. Gaidar have ruled out any return to a statist, command economy and have re- end to the extensions by imposing jected Civic Union's call for a strict time limits, giving debtors no

price-and-wage freeze, a fixed international exchange rate for the ruble and central control of resource allocation.

"They're pulling back, but not all the way back, and we can live with it," a senior Western diplomat said.
"It's politics of the highest order.
Whether they can pull it off in the Congress of People's Deputies we'll have to see."

Mr. Yeltsin also has taken a more nationalist line recently, as be often has done when faced with criticism from the self-styled "pa-triots" of the old apparatus. He has criticized the West for tying its credits to the purchase of Western

tect the illegal export of oil, gas, timber and other national "wealth" to the West.

Last week, he took control of a huge natural-gas development pro-ject in the Barents Sea from a foreign consortium and gave it to a Russian one trying to convert from military production.

But the political maneuvering hides another important convergence. After a summer of surging inflation, the government has reached a temporary accommodation with the acting director of the central bank, Viktor Gerashchenko, who has spoken recently of the need to restrict credits and budproducts, spoken of the need to get them each quarter to prevent revive Russian industry and to pro-

BANKRUPTCY: System Ails

(Continued from first finance page) how debts will be repaid, lenders and other critics say.

Under a Chapter 11 bankruptcy proceeding, which is typically used by businesses, the same management team that presided over a company's failure is likely to be left in charge. In that case, manage-ment has the exclusive right to propose solutions to the company's financial problems. Although the law requires debtors to produce a plan in four months, court-approved extensions are routine and creditors can do little more than wait until a plan is proposed.

The defunct bankruptcy bill would have attempted to put an

more than a year to disclose how they will pay back creditors.

Congestion in the bankruptcy courts has compounded the delays, giving creditors another reason to avoid the process and negotiate with debtors outside the system, as did Mr. Trump's lenders.

The bankruptcy courts are strug-ging to keep up with record num-bers of personal-bankruptcy filings and waves of complicated business cases brought on by the recession. debt-financed corporate takeovers and the collapse of real-estate mar- Liber Rates

More than 943,000 individuals bettern more and companies sought bankruptcy Pound stering protection last year. Experts say a ccu million more will do the same dur-

Chance of Fed Tightening Is Seen as Remote

Market Set for Further Gains

Reuters

NEW YORK — U.S. Treasury
bond prices are likely to improve
this week based on expectations of
a moderate increase in nonfarm
employment and a newly related toward Federal Reserve

data, including a revised 3.9 percent increase in gross domestic level is appropriate."

A sluggish jobs picture may conflict with other data suggesting expansion, but analysis said this is
because productivity has been attitude toward Federal Reserve

policy, analysts said.

Bond prices fell last week as the market priced in a hypothetical

U.S. CREDIT MARKETS Fed tightening, which Robert McGee, chief economist at Tokai Bank Ltd., said was unlikely to occur for some time.

The week's data is headlined by the November employment report on Friday, which is expected to be only modestly better.

None of the data is expected to encourage the Fed to loosen credit again, but the market is at ease with Fed policy and most securities may recome for the data is expected to 6.91 percent during the week, from 6.83 the previous Friday, while the 2-year yield rose to 6.23 percent Fed policy and most securities may recome 6.05 percent and the 2-year yield rose to 6.77 for the fed policy and most securities may recome 6.05 percent and the 2-year yield rose to 6.77 for the fed policy and most securities may recome 6.05 percent and the 2-year yield rose to 6.91 percent during the week, from 6.83 the previous Friday, while the 2-year yield rose to 6.23 percent and the 2-year yield rose to 6.91 percent during the week, from 6.83 the previous Friday, while the 2-year yield rose to 6.23 percent from 6.95 percent and the 2-year yield rose to 6.24 percent from 6.95 percent and the 2-year yield rose to 6.91 percent for 6.91 percent for 6.91 percent for 6.92 percent from 6.93 percent from 6.93 percent and the 2-year yield rose to 6.23 percent from 6.95 percent and the 2-year yield rose to 6.24 percent from 6.95 percent and the 2-year yield rose to 6.91 percent from 6.95 percent and the 2-year yield rose to 6.91 percent from 6.95 percent and the 2-year yield rose to 6.91 percent from 6.95 percent and the 2-year yield rose to 6.91 percent from 6.95 percent and the 2-year yield rose to 6.91 percent from 6.95 percent and the 2-year yield rose to 6.91 percent from 6.95 percent and the 2-year yield rose to 6.91 percent from 6.95 percent and the 2-year yield rose to 6.91 percent from 6.95 percent and the 2-year yield rose to 6.91 percent from 6.95 percent and the 2-year yield rose to 6.91 percent from 6.95 percent and the 2-year yield rose to 6.91 percent from 6.95 percent and the 2-year yield rose to 6.91 percent from 6.95 percent and the 2-year yield rose to 6.91 percent and the 2-year yield rose to 6.91 percent from 6.95 percent and the 2-year yield rose to 6.91 percent from 6.95 percent and the 2-year yield rose to 6.91 percen bave room to gain a little, analysts

perform," Mr. McGee said.

Blame in

India Scam

Agence France-Presse

bank governor has accepted moral

responsibility for lapses leading to

a huge securities scam that wiped

billions of dollars off share values,

a legislator said over the weekend.

Bank, S. Venkitramanan, in a de-

position to a parliamentary committee, also said it was the central

bank that had detected the swindle.

"He owned responsibility for a oumber of lapses," including sys-tems failures and human failures,

Ram Niwas Mirdha, chief of the

Joint Parliamentary Committee,

told reporters after the two-day de-

But the governor of the Reserve

NEW DELHI - India's central

"The strong numbers now may be good in the long run," he said. According to Mr. Wyss, "polities is still the dominant mover of the bond market" and will be until Mr. Clinton's economic team is in place. The 7% percent 30-year bond closed Friday down 23/32 for the day at 100 10/32, to yield 7.60

percent. That was above the previous Friday's 7.53 percent, as the bond's price fell during the week. The 10-year bood's yield rose to

yield was up to 4.77 from 4.60. Dana Johnson, economist at "Inflation is still good, so the First National Bank of Chicago, long end should continue to out- said: "It's hard to believe that the erform," Mr. McGee said.

A recent upturn in third quarter economy doing so well that the

search director at DRI/McGraw stepped up at the expense of jobs.

The data are a lot stronger than the economy," said Charles Lieber-man, managing director and direc-tor of financial markets research at Chemical Securities Inc.

The key area analysts will be focusing on in this week's jobs report is the manufacturing sector. The National Associatioo of Purchasing Management's index, for release Tuesday, also will indi-cate whether the manufacturing hase expanded in November.

The one area of concern is the state of the manufacturing sector." Mr. Johnson said. "While most reports have been upbeat, it would be nice to see. . .some bounceback in the purchasing managers index."

He said the short end of the market, which he described as oversold because of the slim chance of a Fed tightening this year, was also set for

China Puts New Hope In U.S. Trade Forum

Compiled by Our Staff From Dispatches BELIING - The resumption next month of regular U.S.-Chinese ministerial-level trade talks, suspended after the 1989 Tiananmen

crackdown, will help improve relations overall, a government spokesman said on Sunday.

The U.S. commerce secretary, Barbara Franklin, is to visit China

from Dec. 16 to 20 and co-sponsor a meeting of the Joint Commission on Commerce and Trade with her counterpart, Li Lanqing. A Trade Ministry spokesman said the meeting would push Chinese-U.S. economic and trade relations "to a new level" and "inject more positive elements into hilateral relations.

The spokesman noted that the meeting would be the first since 1989, when the government crushed a pro-democracy movement. The U.S. decision to lift a ban on the meetings removed one of the

last sanctions it imposed on Beijing after the crackdown.

Bilateral ties have been strained, with Beijing strongly protesting the U.S. decision to allow the sale of up to 150 F-16 jet fighters to Taiwan, and Washington upset by Beijing's mounting trade surplus. The joint commission is to address a wide range of trade issues. including differences in tallying trade figures, China's re-entry to the General Agreement on Tariffs and Trade, and ways to further

promote trade and reduce barriers, the spokesman said. Meanwhile, Beijing indicated it would offer the same terms i agreed to in a recent trade accord with the United States to the rest of its trading partners worldwide. The accord, reached in October, calls on China to gradually remove import licensing and controls, increase

transparency in its trade regime and make significant cuts in tariffs. China's decision was announced at a press conference held Satur-day by the Australian minister for trade and overseas development. John Kerin, who lead a delegation to Beijing. (AFP, Bloomberg)

The Week Ahead: World Economic Calendar, Nov. 30 - Dec. 5

Aide Takes A schedule of this week's economic and

Asia

1.5 billion shortfall in September. 1.5 bason snormal in september. Second October industrial output. Outlook: Below 2 percent growth, after year-on-year 1.8 percent growth in September. Second November consumer price index. Forecast: Second consecutive monthly drop, after 0.1 percent fall in October.

 Bec. 1 Slogapore Opening of four-day Ofishore Southeast Asia '92, an oil and petrochemical trade show. Camberra-September quarter GDP. Forecast: Up 0.5 percent, alter 0.6 percent growth in

position that ended early Saturday. Mr. Venkitramanan said he had overruled his officials' recommendation in February 1992 to order a criminal investigation into alleged violations by three Indian banks

involved in the scam, choosing to let the banks off with a warning. He said he had informed Finance Minister Manmohan Singh, and decided to withhold action until after the February budget.

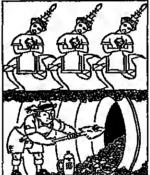
Bankers and brokers colluded to siphon off \$1.3 billion in fraudulent securities transactions, and pumped the money into stocks. The scandal broke in April, battering the market. Harshad Mehta, the alleged master-mind of the seam, April 1 to discuss a problem the broker had in operating an account at the State Bank of India, Mr. Mirdha said.

Now. 30 Camberta Australian cur-rent-account data for October, Forecast: Deficit nerrows to 1,1 billion dollars, after

Singapore Foreign Ministry officials from Singapore and Japan hold talks on accurity in Asia-Pacific region, bilateral relations and Tokyo's ties with ASEAN.

Canberra Foreign debt for September quarter. Forecast: Rise to 159 billion dellers, compared with 150.1 billion dollars in June period, Christchurch New Zealand prime minis-

ler to welcome delegation from Japan's powerful business group Kedanren. Focus; Trade and labor relations issues,



Banckok Metro 2000, a consortium of by Philip Holzmann AG, presents plan to build Bangkok subway to That officials. Secul Preliminary customs-cleared trade figures for November. Forecast Second straight monthly deficit, after \$25 million deficit in October. Beijing Symposium on foreign Invest-ment in targe-scale Chinese enterprises. More than 100 foreign businessmen ex-nected to essent

pected to attend.

• Bec. 2 Sydney Australian Institute of Company Directors release report on trade and investment in Southeast Asia. Canberra Prime Minister Paul Keating to meet Foreign Minister Wong Kan Seng of Singapore. Agenda: Trace, and possibly Singapore Airlines' bid for stake in Centus. sangspore Armes old for stake in Qentes, thong Kong Mayor Huang Ju of Shang-hai speaks at Hong Kong General Cham-ber of Commerce Lunch. Agenda: Promot-ing foreign investment in Shanghal, Hong Keng Initial public offer by Guangzhou Investment, a Chinese-con-trolled real estate company, Outlook: 200 or more time oversubscribed.

or more time oversubscribed.
Hong Kong Earnings expected: Fair-wood Holdings.

• Dec. 3 Wellington Foreign Minister
Wong Kan Seng of Singapore to meet
with New Zeeland officials. Focus: Trade and relations with ASEAN. Hong Kong Retail sales figures for Sep-tember, Outlook: A rise of more than 10

percent from Sept. 91 in real terms.

• Dec. 4 Wellington Producer prices index for September quarter. Forecast input and output prices up about 0.5 per-Bec. 5 Seoul November money-supply growth data. Outlook; Higher than terget of year-on-year growth of 18.5 per-cent.

Europe

e Nov. 30 Lixembourg Prime Minister John Major of Britain meets for talks with opposite number in Lixembourg and then heads to Medrid. Agenda: Preparing ground for European Community summit meeting at Edinburgh on Dec. 11–12.

Parla October linemployment rate. Forecast in September. cent in September.
Paris Bank of France repo tender. Out-

Paris Bank of France repotencies, Outlook Key Intervenbon rate unchanged,
15.7 billion trancs expiring.

Millian November consumer price index
expected this week, Forecast Up an annual 4.8 percent to 4.9 percent.

Bern Third quarter GDP expected this
week, Forecast Pat, after 0.2 percent annual decline an second quarter.

Environs expected: Abold.

Earnings expected: Ahold. Earnings expected this week: Chubb Se-curity, Greene King, Kenwood Appliances, Hacal Electronics, Scottish Power, Albed-Lyons, Bass, London Electricity, Albed Co-loids, Granada Group, Yorkshire Water,

Eastern Bectricity, Grand Metropolitan, Hanson, Royal Bank of Scotland, Landes bausparkasse Münchan, LahmeyBr bausparkasse Münchan, Lahmeyer, Merck, Berliner Bank, Commerzbank, Bayeneche Hypotheken- & Wechselbank, • Dec. 1 Lisbon Prime Minster Major of Brasin holds talks to prepare for up-coming EC summit meebing. London Start of two-day debate in Par-lament on the Meastricht starty on Euro-lament on the Meastricht starty on Euro-

liament on the Meastricht treaty on European economic and polypeal umon.

• Dec. 2 Frankfurt Lower house of parliament is expected to ratify the Masstricht treaty. Upper house is scheduled to tollow Dec. 18.

London November official reserves. Forecast: £2.0 billion decime, after £3.02 billion drop in October.

Frenkfurt Bundesbank repo allocation. Outlook: Banks expect replacement of 54.1 billion OM expliring funds at unchanged 8.75 percent.
Earnings expected; General Electric.

• Blee. 3 Frankfurt West German No-

vember unemployment, Fprecast; Up 35,000, after 43,000 rise in October. Frankfurt East German November un-employment. Forecast: Down 12,500, at-

employment. Forecast: Down 12,500, at-ter 13,000 drop in October. Frankfurt. Third quarter GDP. Forecast. Down 0.5 percent, after 0.3 percent de-cline in previous quarter, Paris. Bank of France repo tender. Outlook: Key miervention rate unchanged, 25.1 billion francs expiring. • Dec. 4 Turin Annual management meeting at Flat. Expected; More details of

recent management restruffie.
Coperhages October trade, excluding shipping. Forecast: Surplus of 3.0 billion kroner surplus in

Americas • Now. 30 Washington Third quarter trade deficit on belance of payments basis.

ports riovember prices.
Ottowa Real GDP for September and third quarter.

Chicago Purchasing Management As-sociation of Chicago releases November Business Barometer report. Wilmington, Delaware Trans World Air-lines expected to tile reorganization plan

velopment.

• Bec. 1 Washington October leading

washington Ocipber construction spending Forecast Up 0.4 percent. Washington Details of three- and six-month bill auctions on Dec. 7.

Ottawa Composite leading indicator for Ottowa Bank of Canada sets discoun rate after suction Tuesday. Dec. 2 Washington October new home sales. Forecast: Up 1.8 percent,

Ottawa Government economic state-ment, Outlook: Finance Minister Oon Ma-zankowski expected to outline weys to reduce fiscal 1993 defielt and atimulate Chicago Sprint and Centel share

chicago Sprint and Centel sharehold-ers vote on companies' proposed \$3 bil-ion merger. Some institutional holders of Centel stock oppose merger. Earnings expected; Ecology & Environ-ment, NCR, Pall and Wallace Computer. • Dec. 3 Washington Initial weekly state unemployment compensation insur-ance claims. Forecast: Down 14,000. Washington. Dilet survive and exhibit.

Washington Third quarter productivit and costs.

Washington October factory orders.
Forecast: Up 2.0 percent. Ottawa Industrial capacity utilization rates for third quarter.

Detroit Automakers report U.S. sales of

domestically made cars and trucks for Nov. 21-30 period. Outlook: 6 mision cars, 4.5 million trucks (annual rapes). Various cities. Major rebalers report No-vember sales. Outlook: Below last Novem-

Earnings expected; Navistar International, Outries, Seagram and XTFIA.

• Bec. 4 Washington November employment data, Forecast: 7.4 percent out

washington Fed reports September concurrer installment credit. Forecast: Down \$780 million. Washington Details of Treasury's one-year bull bit auction on Dec. 10. Dearborn, Michigan Ford Motor president Philip Berton hosts print media lurchend to discuss comments outlook Mr. cheen to discuss company's outlook. Mr. Benton said in November that he would represe the end of year.

Delies Sankruptcy judge expected to approve Zale's disclosure statement for

Talks Are Planned on Torras Affair

Acknowledging that he had re-cently met with KIO's senior Ku-

waiti officials, Mr. Solchaga con-firmed that KIO might file legal

proceedings against the executives

formerly responsible for its inter-

Grupo Torras holds a 90 percent

the mining and fertilizer industries.

It was reported late in September that the KIO had decided to inject

\$1 billion into its Spanish compa-nies and convert \$1.4 billion of

Torras debt into capital. Torras's

losses are estimated at up to 320 billion pesetas (\$2.8 billion).

Several sources have reported

that KIO intends to give up busi-

ness in Spain and has considered the idea of suing Javier de la Rosa, the former KIO representative in

Spain and Grupo Torras's deputy chairman until last May.

Apence France-Presse

BARCELONA — Senior offi-cials of the Kuwait Investment Office are to meet in the oext few days with Spanish authorities to discuss the serious financial difficulties of Grupo Torras SA, several sources said over the weekend.

Torras is the Spanish holding company of the London-based KIO, the vehicle for Kuwait's overseas investments.

Spain's secretary of state for the economy, Pedro Perez, and the main KIO officials in Spain, Mah-mud al Nuri and Luis Vano, met last week to study risks that would arise if Torras were put into suspension of payments, according to the daily newspaper El Pais.

The economics minister, Carlos Solchaga, said in Brussels on Friday that a suspension of Torras's payments to creditors "would pro-duce complications for KIO."

Euromarts At a Glance

U.S. S, 8 yer & over
U.S. S, 5 to 7 yer
U.S. S, 1 tos Them 8 yer
Posted sterding, less them 5 yer
Presch framet, less them 5 yer
Hot. thre, less them 5 yer
Dontish korons, less them 8 yers
ECU, 8 yers & over
ECU, 8 to 7 yers
Com. S, less them 5 yers
Ass. S, less them 5 yers
Ass. S, less them 5 yers
Yes, 5 to 7 yers
Yes, 10 to 7 yers
Yes, 10 to 1 yers

Weekly Sales

Nen5 734.50 1,598.60 134.20 121.60 17.162.50 2.802.40 Codel Estroclear
5 News 5 News
10,07220 26,012,00 27,422,90 26,006,40
220,46 456,66 1,572,10 204,40
1,285,20 1,555,70 4,774,70 1,004,40
1,385,20 4,424,20 4,475,90 17,745,0
16,675,90 32,760,85 32,197,60 41,553,30

Nov. 27 6-manti 3 15/16 8 9/16 7 1814 18 7/16 3 13/16 3 15/16 8 15/16 7% 18% 11% 3%

The Madrid poblication Cambio 16 said in its latest issue that the "shortage" for which the de la Rosa team was responsible affected the majority of group companies, in-cluding 125 billion pesetas at Er-cros, 86 billion at Prima Inmobiharia and 107.5 billion at Grupo

stake in the paper maker Torras Papel and a 39 percent interest in Ercros SA, which has businesses in Torras itself. Ercros, whose fertilizer subsidiary Fesa-Enfersa has already suspended payments, announced a preliminary agreement last week to sell control of Fesa and Rio Tinto Mineria, a mining and metallurgical company. to Freeport McMoran Inc. of the

United States. El Pais reported the judge han dling Fesa's suspension of payments puts the company's losses a 13 billion pesetas.

Fesa unions have called a strike for Wednesday and Thursday to protest the sale, which the unions say will cut the Fesa work force by

MUTUAL FUNDS

Gwith 133.03 ML Grinc 26.28 ML Mesicore: 82.08 ML Mesicore: 82.08 ML Mesicore: 18.36 M.23 Bagivi 18.36 M.23 Bagivi 18.36 M.23 Bagivi 18.38 Magaivi 18.29 M.27 LT Bd 18.27 18.27 Midco 18.27 Midc ScEns IAS 15.90 Vans J.7 7.18 Und Services: AllAm unovall Global unovall Global unovall inco unovall u unovali 7.20 7.20 unovali 9.26 NL Fd: Westwood Funds:
Ballinst Yer73 11.18
Ballon unaveill
Eglant 15,03 15,66
EgCon unaveill
infBdl 10,40 10,83
InfBdC unaveill
WmBlGr 10,99 NL
WmBlIn 10,65 NL
WmBlIn 10,65 NL
WmBlIn 10,65 NL 1/100Vg Penn: p 10.84 10.87 ov 10.41 WinAG | 14.0 NL
Woodward Fds:
Epidx canwoll
GrVel 10.47 10.94
Intibo unavoil
Whichili unavoil
Whichili unavoil
Whichili unavoil
Whichili unavoil
Whichili unavoil
Whichili unavoil
intibo unavoil
intibo unavoil
intibo 12.41 11.56
Vorithi 10.44 NL
Intibo 12.49 NL
Grood 12.49 NL
Intibo 12.49 NL
In 16.00 RC Febs: 10.45 11.18 10.57 11.08 10.31 10.82 19.22 20.19 10.25 10.73 10.85 11.16 12.20 12.91 10.45 11.05 7.45 7.97 127.30 NL 127.7 NL 10.27 NL WellSt 7.67 7.77
Worburn Pincons:
CopAp 13.74 M.
EGM
Flainc 9.83 NL
Golf 8xt 10.53 NL
InfEqu 12.43 NL
InfEqu 12.43 NL
InfEqu 10.17 NL
InfEqu 10.17 NL
Infequ 5xt 10.57 NL
Infequ 5xt 10.47 NL
Govt 10.47 NL

Last Week's Markets

Stock Indexes **Money Rates Valled States** Nov,28 3,282.20 217.95 1,411,33 3,227.36 + 1.70 % 219.02 -- 0.49 % 1,359.96 + 3.78 % DJ Indus. OJ Util. 3.00 3.00 3.75 Prime rate DJ Trans. 5 & P 100 5 & P 500 S & P Ind 2 15/16 Federal funds rate 389.03 + 0.68 % 426.65 + 0.82 % Jopop 3¼ 3 13/16 3¼ 3 13/16 500.55 + 0.80 % 234,78 + 0.83 % Cell money

3-month interb NYSE CP FTSE 100 Germony 2,760.10 2,077_50 2.732.40 + 1.01 % 91/2 83/4 8.90 8.80 8.95 FT 30 203590 + 204 % Japan Nikkel 225 3-month interban 17,034 + 2,57 % 7.00 7% 7.5/16 DAX 1,522,95 1.544,76 -- 1.41 % Hong Kong 486.60 +0.90 % London p.m. fix.\$ 334.05 336.10 -0.61 %

BusinessWeek

This week's topics:

O Don't Bank A GATT Deal Just Yet

O Blood, Sweat, Dracula - \$100 Billion

O How AIG Leads The Insurance World

O British Telecom Finds A Focus O Rhone-Poulenc Has A U.S. Success

Now available at your newsstand!

BusinessWeek International 14, av d'Ouchy, CH-1096 Lausanne Tal. 41-21-617-4411 scriptons call Hong Kong (852) 523-2939 or (toll-free) France 1905908514.

UK 0800289137, Germany 0130611197, Switzerland 046054863

Herald Eribune LIVING IN THE U.S.? NOW PRINTED IN **NEW YORK** FOR SAME DAY **DELIVERY IN KEY CITIES**

> TO SUBSCRIBE, CALL 1-800-882 2884 (IN NEW YORK, CALL 212-752-3890)





WORLD STOCKS IN REVIEW

Amsterdam

The stock exchange marked time last week, barely moving despite

active trading.
The CBS all-share index closed at 193.6 points, up just 0.2 point from the previous Friday. Total volume was snarply up at 17.5 billion guilders versus 12.8 billion.

Frankfurt

Poor company results and pessimism on the prospect for interestrate cuts depressed stocks, preventing the market from sustaining the previous week's rally.

The DAX spot trend index fin-ished at 1,522.95 points, down 1.38 percent from the previous Friday. Rate cut hopes were dashed Tuesday when the Bundesbank announced that the M3 money supply rose at an annualized 10.2 percent rate in October.

Hong Kong

Share prices recovered 1.85 percent after the previous week's 7 percent plunge but investors re-mained jittery over the continuing Sino-British political dispute. The Hang Seng Index rose 108.49 points to close the week at

The market's vulnerability to po-

in losses Wednesday ahead of a index fell 3.32 percent to 872 Malaysian stocks underpinning the Legislative Council decision on appoints. Average daily volume fell to firm tone. proving additional funds for Hong Kong's new multi-billion dollar airport project despite China's objections over its costs.

London

The stock exchange finished the week at a new record high, boosted by encouraging U.S. economic news and Wall Street's firm trend on Thursday and Friday.

The Financial Times-Stock Exchange 100-share index gained 27.7 points, or 1 percent, on the week to inish at 2,760.1. The prospect of a U.S. recovery boosted dollar-earning stocks and

encouraged optimism about a British pick-up in the spring, which was predicted by a Confederation of British Industry survey. Around 25 percent of earnings for the top 100 companies earnings are in dollars. Savoy Hotel A shares gained 143

pence to 588 after the death of chairman Sir Hugh Wontner, who had defended the independence of the luxury hotel group for 40 years. Milan

An absence of any buying interest and the re-emergence of pressure on the European Monetary System helped drive prices sharply lower in thin trading. The MIB

MOVING

A.G.S. LONDON [44-81] 961 7595 A.G.S. PARIS (33-1) 40 80 20 40 A.G.S. BERLIN [49-30] 429 28 65 A.G.S. NICE (33) 93 64 59 40

REAL ESTATE INVESTMENTS

CHEAP DOLLAR Investments in apo ment buildings in the USA, 98% por pancy, 12% - 14% preferred com-return. Coll Mr. Rowen [310] 659-85 or Fax [310] 659-2918 USA.

REAL ESTATE

TO RENT/SHARE

GREAT BRITAIN

CHIGHTSBROOKE £59/night serviced lexury Rats beside Horrods. From £29 in Kensington, Oabridge Apartments Fel. (71) 835-1611 Fax: (71) 373-0036.

MONACO

PRINCIPALITY OF MONACO

For rent in lucenous apartment building nearing completion (with private pool); FROM 2 to 8-ROOM APARIMENTS or conditioned, with fully equipped latchen, parking space, cellar and

For further details, please contact:

AGED

PARIS AREA FURNISHED

FLATOTEL
EIFEL TOWER OR
EUPO PORTE DE VERSALLES
from studio to live-troum delune opartpaets fully equipped and serviced,
doily, westily or monthly
Any further information:
Calc US.345.345 Tolf Free
or 33-1-45 75 62 20

ATTENTION EXECUTIVES

ATTENTION EXECUTIVES
Poblish your business massage
in the International Harsali
Tellusa, where more than a
tished of a million readers
worthvide, most of whem are
in business and industry, will
read it. but token as (finis
613595) before 10 a.m.,
amoning that we can token you
book, indicate which major
credit card you with to charge it
to, the number and
expiration date, and your
meassage can appear within 45
hours. Home aim include your
address and telephone
number for our files.

BUSINESS

OPPORTUNITIES

OFFSHORE

CITISHOKE
COMPANES
BY LAWYES FROM £175
One of the world's largest
registration agents can provide
professional Namines, Administration,
fortung and Registration Office Services
For a comprehensive brockere
Fore comprehense brockere
Fore Company Fermaticins,
£14,
Scorpto House, 107 Syriney St.,
Chelsee Landon SW3 6NU.
Tel: UK 71 332 2274.

IRISH NON-RESIDENT

COMPANIES £195

Glish Morphy, Director, Severeig Company Services, S.O. Fitzwillion Square, Deblin 2, Iraland

Edit Asrphy, Director, Severalge Company Services, 56 Fitzwilliam Square, Debim 2, Ireland.

Tel: +353 1 618490 Fezz: 618493

CPFSHORE COMPANIES: 17CE 1/5

Church Street, Douglus, ble of Man.
Tel: (0624) 629529 Fez: (0624) 629662

INT.

MOVING

AGS

80 million shares from 115 million. Brokers said buyers were likely to remain absent until details of the

government's privatization plans gained 9.37 points to 380.30. were made fully public.

Positive economic news helped the bourse to weather fresh currency speculation and recover some of losses from the previous week. The CAC-40 index gained 1.47 percent to finish the week at 1,749.66 points, after losing 4 per-

cent the previous week.

The devaluation of the Spanish tervention and slight firming of

short-term money-market rates. News of a rise in French industrial output and retail sales and a 1 billion franc trade surplus in October then allowed the market to gain some ground, although dealers warned that high German interest rates would continue to dampen buying interest.

Singapore

The Straits Times Industrial Index rose 34.14 points to 1,447.96. The SES All-Singapore index

Tokyo

peseta and the Portuguese escudo the previous weekend had brokers braced for new attacks on the franc, but the storm passed with only limited Banque de France in-

Share prices gained ground on the stock exchange, with interest in kers said.

Buying interest from public pension funds pushed share prices moderately higher over the week. The Nikkei average of 225 blue

chips closed Friday at 17,470,61 points, up 437.01 or 2.5 percent from the previous week's close. The broader Tokyo Stock Price Index finished at 1,307.54, up 30.63 points or 2.4 percent.

Investors were inspired by remarks by Prime Minister Kiichi Miyazawa that the government might take additional measures to promote public works projects in a supplementary budget.

The focus was mainly on individnal issues but the market finished the week slightly firmer.
The Swiss Performance Index

finished at 1.138.77, up 4.73 points on the week or 0.4 percent. Uncertainty over Switzerland's application to join the European Community and the Dec. 6 referen-

Chicago Challenge: Secure the Futures

By Barnaby J. Feder New York Times Service

CHICAGO - Chicago's world-leading fu-

tures exchanges are investing heavily to modcrimze as they battle to preserve their primacy in the markets for futures, options and related

The Chicago Mercantile Exchange and its rival, the Chicago Board of Trade, are spending millions of dollars annually on electronic systems. Some of these systems aim to make the current open-outcry trading more efficient by eliminating paper orders along with many of the clerical workers who handle them.

Other systems will sidestep the pits to help Chicago's traders compete with new exchanges that trade exclusively via computers. And in moves that once would have seemed

unimaginable, top officials from the Merc and Board of Trade have set aside their rivalry to travel together to Europe and Asia on sales trips, to merge overseas offices and to begin negotiations to merge their back offices.

The exchanges' products are known as derivatives because they are based on underlying commodities. The extension of the futures concept from traditional commodities like crops, animals and metals to financial commodit like stocks, bonds and currencies has transformed derivatives into a basic cog in the global economy and one of the most incredible growth industries ever. Hal T. Hansen, the Cargill Investor Services executive who is president of the Futures Industry Association, a trade group, described the industry's growth chart as looking like the path of a homesick angel. Industry sources figure there were more than

500 million futures and options contracts traded in the world last year. Chicago became the worldwide futures king by leading the development of financial futures.

But Chicago's share of futures and options trading, estimated at about 75 percent just five years ago, is now thought to be just under 50 percent and falling. The exchanges have been

The Merc and Board of Trade are spending millions on electronic systems and have set aside their rivalry to cooperate abroad.

losing ground to the approximately 50 exchanges outside the United States, about half of which have been founded since 1985. Off-exchange deals between banks and other

institutional investors are also a rapidly growing part of the derivatives business.

The Chicago markets, and rivals like the New York Mercantile Exchange, the London International Financial Futures Exchange, France's MATIF and Germany's Deutsche Terminbörse, allow a manufacturer to lock in the dollar value of exported products long before payment is made, or a pension fund to build a safety net of assets that generate income to match the project-

ed pace of payments to its members.
Futures trading in America alone went from

18.3 million contracts in 1972 to 112.4 million in 1982 to a peak of 276.5 million in 1990, accord-

ing to the Futures Industry Association. Options on commodities, and on futures con-

tracts themselves, began trading in 1982 and soared to 64.1 million contracts by 1990. Not included are trades on exchanges that focus on options on stocks or stock indexes. The largest is the Chicago Board Options Exchange. In the past, the exchanges growth has been driven by a handful of big products. The Board of Trade, founded in 1848, owes its claim to

being the world's largest derivatives exchange primarily to its 30-year Treasury bond futures.

The Merc, founded in 1919, has grown even faster. It grabbed the lion's share of bets on short-term interest rates, through Eurodollar contracts, and foreign-exchange movements, through foreign-currency futures. And with its Standard & Poor's 500 contract, it is Wall-

Street's favorite place to trade stock futures. In recent years, though, neither exchange has had a new-product home run. The Board of Trade is making adventurous efforts to snap the slump, with forays into insurance and environmental futures. Most outside experts are not optimistic. "All of the obvious ideas have been done," said Jack D. Schwager, director of futures research at Prudential Securities Inc.

Conceding as much, the exchanges are work-ing to market themselves and their derivatives to investors around the world. The most potent symbol of cooperation is Globex, an electronic network that allows traders to offer and buy futures contracts through computers. It was developed jointly by the two exchanges with Renters, to allow their products to be traded anywhere when the exchanges are closed.

Seoul Resists Business Call to Pump Up Economy

SEOUL - Business leaders say South Korea is in a serious slump and are demanding that President Roh Tae Won's government take quick action to reinvigorate the economy. But the government, facing a presidential election Dec. 18, has made it clear it will stay on

its course of stabilization to check inflation and excessive consumption. A poll conducted by the Lucky-Goldstar Economic Research Institute found that 78.1 percent of entrepreneurs thought Korea was facing stagnation, and 64 percent said the government

should take measures to boost the economy. The poll came on the heels of a Bank of Korea report last week that said economic

PERSONALS

MAY THE SACRED HEART OF JESUS

MAY THE SACRED HEART OF JESUS be nebred, gorfied, loved and pregered throughout the world, now and
forever. Socred Heart of Jesus, proy
for us, Soint Jude, whether of meades,
pray for us, Soint Jude, help of the
inopeless, pray for us, Antens Soy this
proyer most times a day, by the misth
day your prayer will be arowered it
that never been burgown to foil. Publication must be promised. MG/TT,
JAPANESE FEMALE, 28, seeks joyful,
warmhoothed, attacative, sincers, intelligent Sweetish male roomed STEFAN
AXELSSON as a likelinner purion;

ANNOUNCEMENTS

THE IHT IS NOW

AVAILABLE IN MANY

U.S. CITIES ON DATE

OF ISSUE

Now pruted by satellite transmission in New York the International Herald Tribune is oir shipped for dayof-publication delivery to your home or office in most creat of the following

For speedy mail delivery, subscript copies also are flown directly to Judisonville, Phoenic and Seatte.

in the U.S.A., coll

TOUL FREE

1-800-882-2884

in New York . coll

(212) 752-3890

Herald-de Eribune

AMERICAN UNIVERSITY

OF PARIS

Aspartement de formation permanente

Now is the time to prepare

for a new cureer.

Teaching English

Enroll in the TESOL Certificate Program (Teaching English to Specialism of Other Languages) Parthame, evening classes begin Fels. 8, 1993. Englishe your career objectives with a member of our liquidity of a free Information Session. Thurs. Dec. 3 or Wed. Dec. 9 or 18:50. Cell to reserve a place: Tel. (33/1) 47 70 44 99.

Herald-Le Eribnne

SEASONS GREETINGS

CONTEST

FAMILY OR FRIENDS in FAR AWAY places

Place your message in the International Herald Tribuns on Dec 24 or Dec 31 and she 3 best messages will w a Speach B17 gifs.

Tel. Paris 33-1-46-37,93.85 Fax: 33-1-46.37,93.70 or your local representative (in the US Fax: 212.755-8785)

MILA SCHON. The most refined of of thes, or ZURICH exclusively at

hes, or ZUBOCH exclusively of WENDERG's - leading men's stare 13. Behindrer. 01-217 29 50

ALCOHOLICS ANONYMOUS English specifing meetings doily Tel: PARS 46 34 59 65 or ROME 678 0320.

MOVING

WE MOVE YOU & YOUR

GRANDMOTHER'S CRYSTAL

interdean MOYES

FOR A FREE ESTIMATE CALL

PARIS (1) 39569000

GROSPIRON INTERNATIONAL Tel: Paris 1-47340266

growth during the third quarter was 3.1 percent, after registering 7.4 percent and 5.9 percent in the first and second quarters. The latest period had the lowest quarterly rate in 11 years, the

report said.
Choi Chang Nak, vice president of the Federation of Korea Industries, urged the government to "drastically change its economic stabilization policy" and take measures that would "forcefully promote investment to revive the

SAPPLITE CCOROTTY. But the economic planning minister, Choi Gak Kyu, said any drastic departure from austerity would send the economy back to where it was in 1990 and 1991, with double-digit inflation and a gaping trade deficit.

INTERNATIONAL CLASSIFIED

TO RENT/SHARE

PARIS AREA FURNISHED

AT HOME IN PARIS

PARIS PROMO

opartments to rest furnished or not ides & Property Management Services Av Hache 75008 Paris, Fax 1-4561 1820

Tel: (1) 45 63 25 60

AGENCE CHAMPS FLYSES

specialists in furnished apartments, residented preus, 3 months and more.

Tel: (1) 42 25 32 25

YOUR HOME IN PARIS

ENTIER URBIS Lucury rentols & soles 31 rue de Monoscu, Poris 75008

Tel: (1) 45 63 17 77

Your studio or operament for 1 day, 1 week or more. Tek (1) 44 34 73 73

* TulinisHED RENTALS *
Selected & Verified operaments only
Wide selection - Studios to Penthouses
Tel 1-4443 8811, Fex 1-4443 8810

7th, BOSQUET, VERY ELEGANT and improcedule, newly redetorated, 5th floor, surnly 90 seam. Iwang, dinang, 2 bedroows, 2 bedro, fully equipped inchen, F12,000. Tel. (1) of 23 94 84.

BUSINESS MESSAGE CENTER

BUSINESS

OPPORTUNITIES

BANK & TRUST CO.

Offshore prediction.
Nominee directors/backer shores.
No casels/fecblides.
No qualification regularments,
or financia dedeases.
Immediate delivery, U.S. \$15,000.
Comm Pacific, Casada
Tel:(04942-3179

ACHIEVERS ONLY

Business Immigration Programm
 Business Coporturnies Registry
 Business Departurnies Registry
 Business Referred Branchies
 Search International Marketing Group
 Che call does it all We find solution
 FAX. 613-594-8705 (Canada)

OFFSHORE

Companies for all purposes including banking and insurance. We offer 30 years professional experience worldwide. Bradwire on request.

ASTON CORPORATE MANAGEMENT 19, Feel Road, Douglos, Ide of Man.

1et 0624 626 391 Fair: 0624 625 126

EXCITING RETURNS
34% to 67% cannoily for 35 to 40
years. No tax of source. Complete
ornormely. Meanurum streetment USS
10,000 Ideal for entire family.
Request descriptive brochere:
Globe Plan SA, Rue Brazz 10,
1003 Lessonne, Switzerlynd,
Tek 41-21-312 3512. Fax: 41-21-202370

bottoons, 7 boths, hay screeped bidden, F1200L Tet, 10 A 23 CM 24 Magnetial, SPAIN.

BEST AREAS-HIGH CLASS BUILDINGS
We have boundful furnished flust studio to 3 rounds to let for portods of 1 week to 6 months. [I] 453 002.51

PARIS BIENVENUE Short term with service 8, furnished rentch. 3 spites to 2 years. Iel 1-4738001 Fox 475-8797

IEFF BANK APARTHENISTS, monthship rotes. No opency fee. Journisheds. In June 1-432-4778

LATIN CUARTIE. Nore flot in town-house, entrance, living, bedroom, labben, both. Owner (I) 43 54 65 69.

IEFF BANK, studios, 1 & 2-bedroom 6 rotes. No fees. Iel (I) 43 54 66 66.

IEFF BANK & MARAIS, top guidity studios, 2 & 3 rooms from F3/00.

AMERICAN, 34 fibert Spanish, Indian, functional French, some Greek seeks.

GENERAL POSITIONS

WANTED

AMERICAN, 34 fibert Spanish, Indian, functional French, some Greek seeks engloyment. You'ver de supermence. References on respect. Fax: +41-21/2 53 58 80 · M. Stock.

全

CITADINES TROCADERO 29 bis rue 54 Didies PARIS 16th

He said the economy appeared to be headed towards 5 percent growth in gross national product, 5 percent inflation and a \$5 billion deficit this year. That, he said, would be a sharp improvement from last year's \$10 billion trade deficit and 9.7 percent inflation.

South Korea on Saturday reported a \$168 million current-account surplus for October, the third straight monthly surplus,

■ Seoul Lifts Land-Ownership Curbs

Seoul will allow foreign companies specializing in high-technology services and insurance to own real estate in South Korea starting next Tuesday, an Interior Ministry spokesman said. according to a Reuters dispatch.

EMPLOYMENT

GENERAL POSITIONS WANTED

PR-LADY-PRESENTER-WRITER with TV medic, skills, con create and organis PR-events, foirs, incentives, securiors Gennium (+49-5085-1426

NGUSH/GERMAN, bilingual journa seeks work &/or transpirat adaptati Tel Paris (33-1) 45 08 57 76

EDUCATIONAL.

POSITIONS AVAILABLE

ENGLISH TEACHERS, bilingual, exper enced, foll-lime. Legal or finance knowledge preferred. Tek Cybele La ague - Poris (1) 42.87,18.26.

AUTO RENTALS

RENT FROM DERG! AUTO

PARS TEL: [1] 45 87 27 04

CHAUFFEUR SERVICES

Ditavers & Limcusines Will take you around Paris. Business or pleasure, sirport transfer, our at your disposal, exclusive service & corporate rates 1 Contact Paris Fel. (33-1) 48 51 63 63 Fax (33-1) 48 51 91 79

LEGAL SERVICES

DIVORCE/FINAL in 1 day, No troval. Certified by U.S. Embassy. Divorus, P.O. Box 8040, Anaheim, CA 92802 U.S. Call/Fax (714) 878-8004. FORBIGN DIVORCE in just 1 day, Box 357, Sudbury, MA 01776 U.SA Tel: 508-443-8387 Fax: 508-443-0183.

LOW COST FLIGHTS

ACCESS VOYAGES

Come Way Round Trip
York F170 72795

Ingeles F970 F2746

F860 F3080

F860 F4700

F860 F4700

F860 F4700

F860 F7600

F860 F7600

F800 F720

Store destreated as graded world

REAL ESTATE

TO RENT/SHARE

PARIS AREA UNFURNISHED

Embassy Service

YOUR REAL ESTATE

AGENT IN PARIS # Ave. de Messine, 75008 Paris

Tel: (1) 45.62,30,00

ARIS, CENTER 7th, EXCEPTIONAL

140 sq.m. college, 5 rooms, 2 baths portong, Gorden. (1) 45 55 18 99

EXECUTIVE RELOCATIONS helps your relocate to Paris, Save your fine and get best conditions. Please call us at Tel 1-40 74 00 02 Fax 1-42 56 19 29

WANTED/EXCHANGE

COTE D'AZUR, British outhor seeks quiet, roomy rentol flot or hilltop villa. Tel: +39-185-669507.

EMPLOYMENT

EXECUTIVES AVAILABLE

REPRESENTANTYE DURCETOR
Fronth, SD, 10 years or experience in
North Africa and 10 years in Japon as
Project Manager and President of a
multimotional Company in Tokyo.
Very good relations with Japonese
ristrations, Fluent in English,
German, Spenish, Japonese and
Constan languages. Ready to assume
new position preferrably to set up
business or trouble strating.
Please write to: HT, Ref. 25,
Managing Santonaria 8 - 6, sq.

SALES & MARKETING EXECUTIVE
MBA, 33, fluent Englich, French, Spensh, Germon. 9 years expenence in
consulting & services industry. Seels
job chollenge in Europa/Model East.
Tel: (+973) 695158.
GENERAL MANAGER consisted for
oversions stort up postung. Fisty mischie
English expet with a proven record.
Fox 65 445 2644 for more details

BUSINESS SERVICES

2ND TRAVEL DOCUMENTS

IMMIGRATION

For immediate service contact: Dovid Varney, STI Sude IC, Standbrock House, 2-5 Old Bond St, London WTX 379 TB2: + 44 71 493 4244 FAX: + 44 71 491 0605

LONDON ADDRESS BOND STREET, Mail, Phone, Fox, Telex, Conference room, Tel. (UT) 499 9192 Fa: 499 7517

BUSINESS TRAVEL

1st/Boninsen Class Frequent Travelles to Orient/Australia/Almaz/No. \$ 5a. Amenca. Save up to 50%. No cou-pors, no restructions. Integral Canada Tel. 514-341-720/ Fax 514-341-7978.

SERVICED OFFICES

Your Office in Germany we are "at your service"

Complete office services of two prestige addresses.
Fully equipped offices for short

Inthy equipped offices for short term or long term.
 Internationally trained office and professional staff at your disposal.
 Can be legally used as your compared definition for Germany/

corporate domicile for Germany/ Europe.

Your business operation can start

Lairce Besimen Services Gubbl-Lanco-Hoss om Hobbossempork John Fronklyst om Most 1, Genery. Tel. 697 245-30 Fox. (69) 995/70

BUSINESS BRIEFS

China Taps POSCO to Build Highway

SEOUL (AFP) — China has asked Pohang Iron & Steel Co. of South Korea, known as POSCO, to spearhead an \$8 billion superhighway linking Beijing to Hong Kong in the largest joint venture yet between the two countries, published reports said Sunday.

The world's third-largest steelmaker was asked by the state-run Shougang Corp. to form a consortium to start building the 2,400 kilometer (1,500 mile) expressway next year, a POSCO spokesman was quoted as saying. Dong-Ah Construction Co. of South Korea also was asked to join.

Shougang also has proposed that POSCO take part in establishing a joint venture cold-rolled steel mill in China and a joint venture investment bank in Hong Korea to finance the strategy. ment bank in Hong Kong to finance the projects, POSCO said.

Taiwan Vows to Open Financial Door

TAIPEI (Reuters) - Taiwan will open its market wider to foreign financial institutions to prepare for the island's entry into the General Agreement on Tariffs and Trade, officials said Sunday. The world trade body began a formal review in September of Taipei's application to join. Taipei will review restrictions on foreign banking and insurance operations, including a rule allowing only three new foreign banks to set up branches each year, a scattor Monetary Affairs Bureau official said. The Commercial Times newspaper quoted Finance Minister Pai Peiying as saying that Taiwan would allow European insurance firms to establish branches starting next July, U.S. insurance companies and U.S. units of foreign firms were allowed to do so in the 1980s.

Iran Firm Wins KIA Assembly Deal

PARIS BASED MEDICAL TRANSLATOR seeks notive English speaker with good biomed degree and wordprocessing skills. Tel (1) 40 51 06 56 TEHRAN (AFP) - KIA Motor Co. of South Korea signed an accord Sunday with SAIPA of Iran to assemble 30,000 vehicles a year, ending 16 years of cooperation between Iran and the French carmaker Renault. Business sources said SAIPA would assemble 10,000 units of KIA's ride cars from imported kits next year, and hoped to put together 30,000 rides a year starting in 1994. The value of the contract was not known. The agreement confirms the split between Renault and the state-owned SAIPA, according to the sources. Renault has been SAIPA's main partner since 1977, assembling its R5 cars from imported kits.

Japan Tycoon Draws Huge Tax Fine

TOKYO (AP) — Kenichi Nakajima, listed three years ago as Japan's ichest man, has been fined 26 billion yen (\$209 million) for allegedly failing to report 50 billion yen in income, media reports said Sunday. The reports said the amount of allegedly unreported income was the

largest over in Japan.

Mr. Nakajima is president of Heiwa Corp., which controls about 30 percent of Japan's market for machines for pachinko, a form of pinball. Kyodo News Service said the case was connected with the listing of shares in Mr. Nakajima's company on the over-the-counter market in 1988.

China Steel to Shift \$3 Billion Project

TAIPEI (AFP) — China Steel Corp. has decided to shift plans to build a \$3 billion steel plant away from Malaysia to other countries, including the former Soviet Union and Vietnam, published reports said Sunday.

The Commercial Times newspaper said that the state-run company's move came after Malaysia had stalled on the signing of an investment

R&D Rivalry Hones Japan's Trade Edge

By Carl Gewirtz

PARIS - What makes Japan Inc. so much more successful at international trade than business in any other industrial nation?

The answer is "fierce domestic competition," according to the Organization for Economic Cooperation and Development. A new study from the group of 24 industrial nations adds. "The dynamic effects on competition can be seen most clearly in the commitment

to investment in research and development in the private sector."

The report notes that corporate commitment to product research and development is enhanced by the unique company structure in Japan, where just over two-thirds of all corporate shares are held by what it calls stable owners: banks and life insurance companies with

.

ISDAQ NA

Zenik Promotovano dinas

يجدنده ا

000

.

42 percent and other companies holding 25 percent.
This 67 percent "stable" ownership is well above 50.4 percent in Germany, 14 percent in Britain and 0.3 percent in the United States. In Japan, these intercorporate relationships are strengthened by interlocking directorates and deepened by exchanges of personnel.

As a result, management has great control, and share prices are less sensitive to fluctuations in short-term profits than in the United States or Britain. This gives management a longer planning horizon and an ability to direct its energies to product research and innovation.

Protection from hostile takeovers encourages innovation, the report observes, because the penalties of late entry outweigh those of building ahead of demand. In America and Britain, by contrast, late

entrants can recoup by acquiring an established firm.

One distinguishing aspect of Japanese R&D is that it is motivated more by marketing and manufacturing considerations, including customer feedback, than in other industrial countries. Still, the study also says there is "widespread" suspicion that Japan's trade success is based on an artificially low level of imports that are impeded by long-term relationships between buyers and sellers who own each other's stock or belong to the same corporate.

grouping, or keiretsu. The report notes that outside companies often claim that wholesalers are unwilling to deal with goods provided by a non-keiretsu company. These inter-company relationships are under increased surveillance by the Japanese government but the OECD says "there can be no presumption that they are intrinsically anti-competitive" because

of their benefits for efficiency. ■ U.S. Is Scolded on Budget Deficit

Steven Greenhouse of The New York Times reported from Washington: The OECD also scolded the United States for refusing to increase taxes to cut its \$290 billion budget deficit. The OECD said that Washington was forced to borrow billions in investment capital from abroad. This, it suggested, was turning America into an economic ogre

abroad. This, it suggested, was turning America into an economic ogre—gobbling up lunge sums needed by Third World nations and the former Soviet bloe in order to continue living beyond its means.

The OECD noted that among its 24 members, only Turkey collected a lower peacentage of gross domestic product in taxes than the United States. Americans pay 32 percent of GDP in federal, state and local taxes, compared with more than 40 percent for the 23 other countries. The report said the United States "would remain among the least taxed even if taxes were raised sufficiently to balance the federal budget."

Indonesian Banks Losing Public Trust

Indonesia's strongest business families, are causing ripples that threat-en to turn into a tidal wave for

London FOUL F720
5. 350 more destinations ground world
Rates subject to modifications
flashications may apply
Tel: 1-40, 12.02.072 \$ 1-42.21.46.94
Race 1-45.08.83.35
6 rue Plenre Lessel, 75001 Penis
Metre - REE Cinteles Les Holles
[Lc. 175.11]_and else

ACCESS IN LYCINS
Four Credit Lycinois, 129 run Servent
69003 Lycin. Tel: (16) 78 63 67 77
ook now by phone with credit cord

RY FREE even if you fly infrequently. With emplanent boruses & just 1 or 2 flights, you are eligible for here flights to be for a registration podder in most frequent flyer progress send USS2S, to ATC, Box 8562, Allorito, Ga. 3038-0652 or for USS4S, we will register you in most plans, frequent flyer flegolity flox. 04-250-140 USA. WORLDWIDE. Special departure or the lowest even document economy critical. Cricic cords possible. Tel: Paris [1] 42 gp 10 81 for 42 56 25 82.

withdraw them, but has not offered to do so for its larger customers. DAILY FUGHTS AT LOWEST FARES to any major North American mt7 curport Tel: Paris (\$3-1) 47 04 67 51.

WINES & SPIRITS BORDEAUX WINE DRY WHITE AOC direct from the grower. Fax Chaleau Le Pete Desert (33, 55 33 64 88.

> * <u>For</u> investment information

read THE MONEY REPORT every

Saturday in the Ш

*

other, better performing private In the latest incident, rumors sparked a bank run on a Jakarta

On Nov. 13, Indonesian monetary authorities suspended Bank Summa from interbank clearing for failure to meet clearing obligations

on \$66.5 million. The bank, owned by the Socr-dyajaya family of prominent indus-trialists, has since allowed its 176,000 customers with deposits of under 10 million rupiah (\$5,000) to

banks, and rumors have sparked of the weekly Editor. runs on several other banks in Jakarta and in Medan, north Sumatra.

outlet of Bank Subentra, an apparently healthy bank. An estimated 1.6 billion rupiah was withdrawn from the bank in just a few hours before closing Friday.

"There is even a certain bank which had up to 40 billion rupiah withdrawn in a rush," said Thomas Suyatno, secretary-general of the Indonesian Private Bank Association. He did not identify the bank. "If no clarity is shed on the Bank

Agence France-Presse

The suspension of Bank Summa

Summa case, public trust in banks

Abdullah Ali, director of Bank

Summa, owned by one of the country's mushrooming private

Summa, owned by one of the country's mushrooming private

The suspension of Bank Summa case, public trust in banks would suffer," Kwik Kian Gie, an central Asia, told the Editor.

There are around 170 banks in

bank, has been accused of inconsistency. Although it has injected funds or helped bail out smaller private banks in the past, it was rejuctant to bail out Bank Summa.

Critics have said that Bank Indonesia, aware of the financial trou-bles besetting Summa, also had failed to warn the public in time and even allowed the bank to post-

Indonesia, of which nearly 100 are Bank Indonesia, the central privately owned. There are also seven big state banks, 27 banks owned by the provincial govern-ments and 30 that are foreign or joint venture banks. Analysts have said that depositors now favored state banks.

funds in state banks is continuing the central bank's vice president, Dahlan Sutalaksana, said last week. "It cannot be denied that the Bank Sunma case will influence public trust on private banks,"

Mr. Kwik, the economist, said that state banks and foreign banks enjoyed "wide public trust," despite the fact that, according to him, "those actually in worst conditions are the state banks." Mr. Kwik, the economist, said

"The trend of rising third party

INTERNATIONAL RECRUITMENT

You will find below a listing of job positions published last Thursday in the International Herald Tribune under the International Recruitment Feature

POSITION/LOCATION	COMPANY				
SALES DIRECTOR/London	Telcor International				
EXECUTIVE DIRECTOR/Bangladesh	International Jute Organisation				
LEGAL ADVISER/SPECIAL ASSISTANT to the MANAGING DIRECTOR (P-5)	The Common Fund for Commodities				
HEAD OF SOCIAL POLICY PROGRAMME/Switzerland	IUCN (The World Conservation Union)				
EUROPEAN SALES DIRECTOR/Europe	U.S. Based Textile Plant				
PROJECTS SUPERVISOR/London	IMG Developments				

If you want to receive a copy of the paper, please contact: The Classified Dept. in Paris: Tel.: (1) 46 37 94 74 - Fax: 46 37 93 70

Argearge-

O MANAGEMENT OF THE PROPERTY O



Redskins Thrash Cardinals, 41-3

The Washington Redskins kept their playoff hopes alive on Sunday with a 41-3 drubbing of Phoenix, which has not won at RFK Stadi-um since 1978, when the franchise

was still in St. Louis. Mark Rypien threw two touchdown passes, Washington's defense was strong as usual, and the Cardinals committed three turnovers inside the Washington 20 that snuffed out any chance they had to

keep the game close.

After Phoenix (3-9) got a 42-yard field goal from Greg Davis on its first possession to take a 3-0 lead, the defending Super Bowl champions (7-5) scored just their third touchdown on offense in the last 24 quarters when Rypien threw a 13-yard scoring pass to Ricky Sanders with 8:38 remaining in the first

And just like that, the score became 14-3 Washington when, on the Cardinals' next possession, Redskins free safety Brad Edwards stepped in front of Ricky Proehl at the Washington 47 and returned Timm Rosenbach's pass 53 yards for a touchdown.

It was the first of four intercep-

rated his should in Week Two, the Falcons ended New England's Three were important — two of the two-game winning streak others were inside the Washington Broussard scored on an

The Redskins moved ahead 17-3 on a 32-yard Chip Lohmiller field goal with 2:57 left in the first half, and then the Cardinals' self-destruction continued.

Rosenbach moved Phoenix to the Washington 30 with a little more than a minute left when he hit

NFL ROUNDUP

Prochl at the Redskins 19. However, he coughed up the ball when he was hit by Edwards. Linebacker Wilber Marshall scooped up the ball and advanced it 30 yards, where he lateraled to cornerback Alvoid Mays just as he was tackled: Mays gained 26 more, and a personal foul on Phoenix's Larry Centers advanced the ball to the Cardionls 18. Three plays later, Lohmiller hit an 18-yarder as time expired, giving Washington a 20-3

Falcons 34, Patriots 0: In Atlan-

Broussard scored on an 8-yard 10, with one at the goal line. He run and caught an 18-yard pass finished the day 19 of 34 for 262 from Billy Joe Tolliver to belp the disappointing Falcons improve to 5-7. New England fell to 2-10. Tolliver also threw a 10-yard

touchdown pass to Drew Hill and rookie Tony Smith broke loose on a 29-yard scoring run. Deion Sanders led Atlanta's defense with thirdquarter interception returns of 32 and 18 yards.

Packers 19, Buccaneers 14: In Milwaukee, Brett Favre hit Jackie Harris with a go-ahead touchdown pass in the fourth quarter, and Chris Jacke kicked four field goals as Green Bay won its third straight. Green Bay (6-6) has now won

four of its last five. Tampa Bay (4-8) lost for the seventh time in its last eight games. The Bucs had beaten the Packers 31-3 on the second Sunday of the season.

Favre completed 26 of 41 passes for 223 yards. Sterling Sharpe, the NFL's leading receiver, had nine catches, giving him 363 for his career — the most ever in a player's

first five years.

Trailing 14-12, the Packers moved 69 yards in 15 plays as tions for Rosenbach, who was play-ing his first full game since he sepa-down and caught a scoring pass, as Favre passed to Harris for a 9-yard

touchdown pass with 10:09 left for

Chiefs 23, Jets 7: lo East Rutherford, New Jersey, the Chiefs ended a six-game losing streak at Giants

A stingy defense and ball control attack carried Kansas City over the impotent New York Jets, lifting the Chiefs to 8-4, good for first place in the AFC West, and broke an 0-6-1 slump at the home of the Giants and Jets. The Chiefs have won their last four games.

Saints 24, Dolphins 13: In New Orleans, Robert Goff's 28-yard touchdown runback of a Dan Ma-rino fumble, and Vince Buck's 34yard interception return for another score ensured the Saints victory over Miami.

New Orleans' defense, which had only allowed one opponent topass for more than 200 yards all season, gave up 259 yards to Marino, but pressured him throughout the game, sacking him five times, rushing him frequently and scoring

twice off the second-half turnovers. The Saints' five sacks are the most against Marino in his career. He completed 26 of 42 attempts.

Steelers 21, Bengals 9: In Cipcinnati, the Steelers sacked David Klingler a club-record 10 times in his NFL debut and had him on the run all afternoon.

Pittsburgh's Barry Foster scored a pair of touchdowns and surpassed Franco Harris's single-season rushing record with his ninth 100-yard game of the season. His 102 yards on 25 carries kept him in. the NFL rushing lead (1,319) and steadied an otherwise feeble of-

fense. Browns 27, Bears 14: In Cleveland, the Browns scored only one of their three touchdowns on offense as the Bears lost their fifth in a row, It is Chicago's longest skid since ending 1989 with six consecutive losses.

The Browns (6-6), who were ontgained 320-178, won it with big plays on defense and special teams. David Brandon returned an interceptioo 92 yards in the first quarter, marring Peter Tom Willis's first NFL start, and Eric Metcalf scored on a 75-yard punt return in the

third quarter. Brandoo then recovered Neal Aoderson's fumble at the Bears 28yard line, and a pass interference penalty on Chicago's Lemuel Stinson in the end zone set up Kevin Mack's 1-yard run with 10:35 to

(AP, UFI)

Easy Victories Keep Miami and Florida State on Championship Track

On a day when Miami and Florida State kept their national college football championship hopes alive, Marshall Faulk's Heisman Trophy hopes may have died.

San Diego State's Fanlk, the nation's leading rusher, warmed up hefore Saturday night's game against top-ranked Miami. But his anticipated Heisman showdown with Miami's quarterback, Gino Torretta, fizzled when Faulk and team officials decided his sprained right knee was not fully healed.

Faulk ended the regular season with 1,630 yards.

"He's not 100 percent," Coach Al Luginbill said 15 minutes before kickoff. "As much as we would have liked him to play, we can't let him do so if he's not 100 percent."

With Faulk watching from the sideline, Torretta boosted his Heisman chances by completing 19 of 35 passes for 310 yards and one

io San Diego. The senior quarter-

back, who is 26-1 as a starter, left school record for total offense in the game near the end of the third period and did not return. Larry Jones and Stephen

McGuire each rushed for two touchdowns, and Lamar Thomas

COLLEGE FOOTBALL

caught two TD passes - one a 68yarder on a pass from wide receiver Miami (11-0) won its 29th straight game and continued its bid

for a second straight national championship. SDSU finished 5-5-San Diego State receiver DeAndre Maxwell was ejected after a second brawl, which began after Aztec quarterback David Lowery was knocked out of the game with a bruised leg. In the

third quarter, San Diego State line-man Chris Rodahaffer suffered a neck sprain. No.3 Florida State 45, No.6 Florida 24: Charlie Ward passed

for 331 yards, ran for 70 and set a

the rout in Tallahassee The victory kept the Seminoles (10-1) in the national championship chase. If Alabama loses to Florida next week in the Southeastern Conference title game and Florida State moves up to No. 2,

the Seminoles will get a rematch against Miami in the Fiesta Bowl. The Hurricanes handed Florida State its only loss, 19-16, on Oct. 3. If Alabama beats Florida, Florida State will go to the Cotton Bowl or Orange Bowl, A victory over Alabama would send Florida to the Sugar Bowl. Otherwise, the Gators will play in the Citrus or Gator

Ward completed 27 of 47 passes and set a single-season school record for total offense with 3,151 yards. The Seminoles had 38 points at halftime, more than any other team had scored against Florida in an entire game this season. Florida State held the Gators (8-

Sales in Net 100s, High Low Class Chips

3) to 41 yards on the ground. Florida's leading rusher, Errict Rhett, had no yardage on nine carries.

No. 5 Notre Dame 31, No. 19 schel Walker's SEC record for Southern Cal 23: In Los Angeles, touchdowns in a season. Tom Carter's end-zone interception with 10 seconds left wrapped up Notre Dame's 10th straight vic-

tory over Southern Cal. The Irish (9-1-1) apparently are headed for a Cotton Bowl match against Texas A&M or an Orange Bowl date with Nebraska. Southern Cal (6-4-1) will play Fresno State in the Freedom Bowl.

Two plays before the interception, Carter was beaten on a 41yard reception by Travis Hannah that gave Southern Cal first-and-goal at the 5. After Devon McDonald sacked quarterback Roh Johnson for a 7-yard loss, Carter picked off Johnson's pass.

Notre Dame's Reggie Brooks, a foot-8 (1.72-meter), 200-pound (90-kilogram) senior, had 227 yards on 19 carries and scored on runs of 55, 44 and 12 yards.

No. 9 Georgia 31, Georgia Tech 17: In Athens, Georgia, Garrison Hearst rushed for 169 yards and three touchdowns, breaking Her-

Hearst struck a Heisman Trophy pose after his final touchdown, a 4yard run that clinched the victory with 29 seconds remaining. His other scores came on a pair of 3yard runs in the third quarter.

Hearst scored 21 touchdowns this season, one more than Walker's mark. He also rushed for 1,547 yards, 99 less than Walker had in his Heisman Trophy-winning sea-

Georgia (9-2) will play in the Citrus or Gator bowls. Tech finished with a 5-6 record.

Tech's Shawn Jones, who completed 26 of 46 passes for 305 yards and two TDs, broke the Atlantic Coast Conference record for total offense in a career with 9,296 yards.

No. 24 Mississippi 17, No. 16
Mississippi St. 10: In Oxford, Mississippi, Cory Philpot ran for 107
yards and the go-ahead touch-down, and Ole Miss made three great defensive stands in the final

Mississippi State had the ball in-side the Mississippi 9 three times in son, was expected to be named the the final minutes, but could not

Ole Miss (8-3) is headed to the Liberty Bowl, while State (7-4) is going to the Peach Bowl.

No. 18 Tennessee 29, Vanderbilt 25: In Nashville, Tennessee, James Stewart scored on a 1-yard dive with 1:49 left as the Volunteers rallied to give Johnny Majors a victory in his last regular-season game as Tennessee coach.

Tennessee (8-3) trailed 19-14 before driving 59 yards for the goahead score.

After recovering a Vanderbilt fumble, the Volunteers scored again on an 8-yard run by Charlie Garner to make it 29-19. Vander-bilt (4-7) pulled to 29-25 on Marcus Wilson's 3-yard TD pass to Clar-ence Sevillian, but failed on a twopoint pass and could oot recover an onside kick.

riside kick.

The offensive coordinator Philbowl invitation. It was Oklahoma's lip Fulmer, who went 3-0 as head worst season since it went 3-7 in coach while Majors was recovering 1965.

son, was expected to be named the Volunteers' new coach. He will probably share the head coaching duties with Majors in the Hall of Fame Bowl.

No. 12 Nebraska 33, Oklahoma

9: On Friday in Norman, Oklahoma, the Cornhuskers, behind the running of Calvin Jones, scored 23 second-half points to keep alive thier hopes of winning the Big Eight championship. Jones had 137 yards and two touchdowns as Nebraska — held to

6 yards in the first quarter - rolled up 400 overall. Derek Brown added yards, putting both him and Jones over 1,000 yards for the year. The Cornhuskers (8-2 overall, 5-1 Big Eight) will go to the Orange Bowl as conference champs if they

beat Kansas State pext weekend. Oklahoma (5-4-2, 3-2-2) dominated the game early, then got run over by the Cornhuskers. The loss

NASDAQ NATIONAL MARKET

OTC Consolidated trading for week ended Friday; Nov. 27.

(Continued)

New York Addition Not State Addi

.44 22 ,445 1.5 .89 1.8 .501 1.9 .72 1.7

.48 3.8 .60 3.2 1.90 3.4 .200 1.1 .200 1.7 .84 3.1 .48 2.9 .96 2.8 .10 .7 .20 1.2

.15r 1.7 .60 1.8 1 .22 4.9

STATE OF ST

Soles in Net 100s High Low Close Chae

Sanicharitans
Sa

was r venir

F. .

Knicks Get Even, Battering Jordan and the Bulls, 112-75

By Clifton Brown New York Times Service

What the New York Knicks did to the Chicago Bulls was as subtle as a punch in the face.

It was the Knicks at their best. It was the Bulls and Michael Jordan at their worst. It was just one game. but it was the sort of performance that New York would like to bottle and reopen for the playoffs.

Dominating the defending National Basketball Association champions, the Knicks punished the Bulls, 112-75, befure a sellout crowd of 19,763 on Saturday in Madison Square Garden.

Jordan, who injured his left font during the first quarter, finished with 17 points on 4-for-20 shooting from the field. But even a healthy Jordan might not have made much difference. The Knicks were determined to get both respect and a little revenge against the team that eliminated them in a memorable sevengame playoff series in May. And in

their first game this season against the Bulls, the new-look Knicks looked almost picture perfect.

The 75 points was the Bulls' fewest ever against the Knicks, and the Bulls' lowest point total this season. The margin of defeat was the

NBA HIGHLIGHTS

largest for Jordan since he started his pro career in 1984. "We got our butts kicked today,"

Jordan said. "We didn't come in with the same intensity they did. It's Press reported: been a while since we've been totally taken out of a ball game like this." He said he would have his foot X-rayed to make sure the injury was not serious. But it did not take X-rays to figure out what the

Knicks did to the Bulls. Charles Oakley, in a virtuoso performance, finished with a season-high 16 rebounds. But it took more than numbers to measure Oakley's impact on the game. He

points, 7 rebounds) into not much of a factor, and he was the primary reason for the Knicks' overwhelm-

ing rebounding edge, 57-36.

And Oakley had plenty of help.
Patrick Ewing (26 points, 15 rebounds) was dominant. He snatched rebounds, he played aggressive and intimidating defense, he took good shots, and he made smart passes when double-teamed. In other games, The Associated

Pacers 134, Hornets 122: In Charlotte, North Carolina, Reggie Miller scored a team-record 57 points, the most in the NBA in three seasons, for Indiana. Miller, who scored 45 points in

the middle two periods, made 16 of 29 shots — including four 3-pointers — and was 21 of 23 from the free-throw line.

Miller's previous high was 44, set against the Bulls on Jan. 10, 1990.

played inspired defense, he turned He also broke the club's singleBulls' forward Horace Grant (11 game NBA scoring record of 52 set 18 in the fourth quarter as Boston final quarter to beat Washington. by Billy Knight on Nov. 11, 1980. won its third straight.

Magic 95, Cavaliers 93: In Orlando, Florida, Dennis Scott and Shaquille O'Neal carried Orlando for scored 15 of his season-high 42 more than 47 minutes before Nick points in the fourth quarter. Anderson's reverse layup with 2.8

seconds remaining beat Cleveland. Scott scored 28 points and O'Neal had 22 points and 14 rebounds to help the Atlantic Division leaders improve to 8-3.

plays down the stretch as Minnesosuccessive loss. Laettner had a blocked shot and

Celtics 117, 76ers 109: In Philadelphia, Kevin MeHale and Kevin kee, Frank Brickowski scored 25 Gamble each scored 19 points and points and surprising Milwaukee

throw in the final minute.

Spurs 104, SuperSonics 97: In San Antonio, David Robinson

San Antonio trailed Seattle by three points with four minutes remaining, but rookie Lloyd Daniels, who scored 24 points, ignited a rally with his fourth 3-point basket of the game, tying it 89-89 with 3:24

Timberwolves 82, Pistons 80: In Minneapolis, Christian Laettner scored 23 points and made twn hig lone scored Rockets 99: Jeff Malone scored Rockets 99: Je the third quarter as Utah continued ta handed Detroit its seventh its strange home-road saga by winning in Houston. The Jazz, 37-4 at home and 18-23

> at home and 6-1 on the road. Bucks 97, Bullets 95: In Milwau

The Bucks withstood a 20-3 sec-

ond-half run and several last-second shots by the Bullets, who got a career-high 35 points from Harvey

Clippers 121, Neggets 119: Mark Jackson scored 27 points and Dan-ny Manning 23, giving Los Angeles a victory in Denver that reversed their result of the night before. Rookie LaPhonso Ellis had 27 points and 15 rebounds for Denver.

Nets 94, Kings 89: In Sacramento, California, Drazen Petrovic scored 14 of his 26 points in the fourth quarter as New Jersey continued its stellar play on the road.

Warriors 134, Suns 131: Chris an offensive rebound on a free on the road last season, are now 1-4 Mullin's 36 points led Golden State to its first home victory this season. The Warriors, who were 0-4 at Oakland Coliseum, became the last NBA team to win at home.



SCOREBOARD

NBA Standings EASTERN CONFERENCE WESTERN CONFERENCE ,800 ,667 ,636 ,600 ,538 ,417 ,385 Portland Seattle Phoenbx L.A. Lokers L.A. Coppers Sacramenta Golden State PRIDAY'S RESULTS

#RIDAY3 RESULTS
Microsofts
Weshington 29 25 22 21—162
Weshington 25 22 25 13— 83
Lowtiner 10-19-5-525, Ferson 13-23-0-25. West
-14-3-4-21; Grout 8-19-3-519, Ellison 6-10-5-617,
Rebounds—Microsoft 42 (Loeitner 9), Weshington 41 (Ellison 11), Assists—Microsoft 26
Weshows D. Weshington 12 (Fillison 6). Fi (Ellison 11), Assists—Minnesota 26 ns 8), Washington 75 (Ellison 6). 23 71 25 35—161 nd 7) 29 44 28—122 on 6-123-515, Marys 8-113-47); Price 7-, Augmon 6-123-515, May 58-113-47) 10 2-2 2t, G, Wilkins 7-14 6-6 2t, Ro 10 2-2 26, G. Wilkins 7-14 6-6 26, Rebounds— Atlanta 50 (Keete 13), Cleveland 50 (Nance 14), Assists—Atlanta 24 (Wiley B), Cleveland

39 (Price 7).

Houston 23 32 20 25—161

Milami 33 22 20 25— 93

Olatuwan 16-20 1-2-33, Flavel 18-160-20; Rice

P32 3-2 22, Edwards 6-15 5-6 18, Rebeauds—
Houston 55 (Otaluwan 17), Milamil 43 (Long 12). Assists—Houston 26 (Floyd, K.Smith 7), Miconi 33 (Long 8). September 28 27 33 34—314
- Scott 7-13 6-521, Turner 10-153-423, O'Neat 7-107-1371, Anderson 5-128-729, Schles 10-1510-10
321, Miller 11-28 6-7 97, Schrempf 6-15-2-3 18, Rebounds—Orlande 48 (O'Neat 11), Indiana 47
(Schrempf 8), Assists—Orlande 26 (Skiles 8), Indiana 64
(Schrempf 8), Assists—Orlande 26 (Skiles 8), Indiana 67
(Schrempf 8), Assists—Orlande 26 (Skiles 8), Indiana 67

| Schremot 8). Assists—Orlando 26 | Skiles 8), Indiana 26 | Richordson 7). Charlette 33 34 33 | 14—102 Baster 12 35 34 17—111 Aboute 7-15 2-2 | 14. Curry 7-20 6-5 20; McClontel 12-79 1-125, Parish 11-18 2-3 24. Rebounds—Charlotte 61 | IAournha 13), Bostan 51 | IMcClandel 111. Assists—Charlotte 21 (Bogues 7), Boston 25 | Brown 10). Milwautes 11 | 25 25 33—111 | Edwards 10-15 6-6 26. Robertson 8-9 | 1-2 | 18; Honkins 16-18 6-0 20. Payre 9-17 1-1 21. Rebounds—Milwautee 53 (Lahous, Day 7); Philodelphia | 15 20 27 7); Philodelphia | 15 20 27 7); Philodelphia | 15 20 20 7); Philodelphia | 15 20 20 7); Philodelphia | 15 20 20 7); Philodelphia | 25 20 20 7); Philodelphia |

Sectifie 40 25 33 28—127
Dallics 25 27 21 21—304
Payrion 11-178-831, Barros 11-161-1 2s. Johnson 7-136-729; Davis 4-134-1 2; Horvard 5-10 2d 12.
Rebounds—Sectifie 64 | Kamp 14), Dallics 54
(Davis 14), Assists—Sectifie 23 | Poyrion 7),
Dallics 22 (Juzzolino 8),
New Jersey 29 35 33 23—112 19
Ueh 25 77 27 Delitos 22 (1uzzolino 8).

New Jersey 29 35 33 23—112

Ulab 25 17 27 23—119

Bowle 11-21 54 27, Petrovic 4-13 5-5 20; K.

Molone 13-22 9-14 32, Shockton 9-11 4-5 20, J.

Molone 10-17-3-22, Rebossets—New Jersey 60

18-owle 18), Utah 51 1K.Molone 91, Assista-

New Jersey 17 (Marris, Petrovic, Robinson 3), Utch 28 (Stockton 14). Golden State 25 30 24 20—197 Phoenix 31 21 24 25—121

Golden State

Phoenix

J1 21 24 25—121

Mullin 11-26 3-4 27, Hardoway 7-16 7-9 21;

Barkley 11-17 5-5 29, Alnoe 9-11 1-1 22, Rebounds—Golden State 56 (Mill, Mullin 11),

Phoenix 4 | Barkley 11), Amisty—Golden

State 18 | Hardoway 6), Phoenix 29 (F, Johnson 31).

son 7),
L.A. Lakers 27 24 27 26—98
Portland 21 19 28 23—90
Worthy 8-12 2-2 19, Threatt 4-12 5-5 17;
Drexier 6-14 6-6 19, Robinson 7-13 7-8 22. Rebeunds—Los Angeles 51 | Perkins 71, Portland
44 | Duckworth 71, Assists—Los Angeles 20
(Worthy 71, Portland 16 (Kersev, Porter, RobInspo 31. Inson 31.

Denver 16 33 30 30—169

LA, Cäupers 26 33 37 17—164

C. Jackson 6-12 5-5 19, Liberty 7-17 5-7 19; M. Jockson 7-14 3-3 17, Harper 0-18 3-4 20, Re-bounds—Deriver 62 (Mutoribo 13), Los Angre-les 53 (Norman 8), Assists—Deriver 23 (Mu-tombo, C. Jockson, Macon, Liberty 4), Los Angeles 23 (M. Jockson 81,

SATURDAY'S RESULTS

16 16 21 22- 73 26 23 33 30-112 Chicago 16 16 21 22-73
Mew Yerk 25 23 33 30-112
Pippen 5-13 4-8 14, Jordon 4-28 9-9 17: Ewins
10-17 6-7 26, Start's, 5-14 2-2 12. Smith 5-7 2-2 12.
Rebounds-Chicago 2 (Grant), Pippen 7).
New York 64 (Ookley 16), Assists—Chicago 16
(Pippen, Jordon 4), New York 27 (Rivers 7).
Baston 27 27 29 33-417
Philiadelphia 31 27 25 29-419
ARCHIGE LECTATE Granthe 8-13 11 29: Horns-Phitodelphia 31 27 25 29—109
McHole 8-15-3-19, Gamble 8-13-1-19; Hornock 6-14-5-21, Gilliam 13-17-6-12, Rebounds—
Boston 49 [McDaniel Jo], Philodelphia 42
1-Lons 10), Assists—Boston 31 (Brown, Lawis, Douslas 6), Philodelphia 27 (Gilliam 7).
Iedioma 30 36 37 21—134
Charlotte 34 34 24 26—222
Schremot 10-13-5-6-25, Miller 16-29-21-23-57;
Mourning 12-19-6-19-30, Curry 8-17-4-4-71, Rebounds—Indiam 45 (Richardson 19), Charlotte 49 (Johnson 11), Assists—Indiam 41 (Richardson 11), Charlotte 9 (Boques 6).

(Richardson 11), Charlotte 30 (Booyes 6).
Niami 34 20 17 17—109
Altenta 24 30 34 34—112
Rice 10-26 6-7 30, Edwards 9-14 4-4 31; Wilkins 12-214-4 32; Willis 18-15-7-25, Rebounds—
Miami 42 (Askins 12), Atlanta 37 (Willis 15).
Assists—Miomi 33 (Cales 9), Altenta 33 (Skaylock 6).
Clevelond 25 18 25 28—73
Orlondo 18 24 33 28—73
Nance 9-16-6-24, Price 16-16-1-123; Scatt 12230-0 25, O'Neat 10-193-6-22, Rebounds—Cleveland 41 (Nance 9), Orlondo 31 IO'Neat 14).
Assists—Clevelond 33 IEnto 6), Orlondo 28
(Skiles, Anderson 8)

(Skiles Anderson 8).
Detroil 21 19 29 19—89
Minnesofe 31 25 21 15—82
Dumars 10-24 4-4 25, Thomas 8-21 4-4 21;
Lactiner 0-13 6-6 23, West 9-13 4-5 22, Rebounds—Detroil 57 (Radmon 24), Minnesofe
30 (Person, McCana 9), Asiats—Detroil 19
(Thomas 7), Minnesofe 33 (Smith 5).

Usch 21 27 27 33—168
Heaston 26 27 22— 97
K. Maione 4-8 11-12 20, J. Maione 14-21 8-10-40;
Horry 7-11 6-8 22, Otoluworn 10-17 3-7 22, Rebounds—Utiph 47 (Maione 11), Houston 42
(Otoluwon 13), Assists—Utoh 28 (Stockton
14), Houston 20 1 Flovd 61.
Seattle 23 32 22 24— 97
Son Aphonio 24 27 24 29—164
AKKey 9-1-44-6 42, Poyton 10-15-0-31, Pierce
10-18 1-2 22; Robinson 13-21 16-17-42, Donlets 915-2-24. Rebounds—Seattle 45 (Cape 18), Son
Amonio 42 (Robinson 10), Assists—Seattle 19
18 porres 71, Son Antonio 28 (Elliott 97,
Washington 38 17 24 14—65
Millwookse 31 Brickowski 11-13-5; Ellison 8-13-3-19; Avent
47 8-12 14. Brickowski 7-11 11-19 25. Rebounds—Weshington 55 (Ellison 11), Altiwoukse 51 (Brickowski 11), Assists—Weshington
25 (Overton 7), Millwoukse 22 (Murdock 7),
LA. Cilippers 23 29 23 34—17

LA Clippers Denver 25 32 33 39—119 Monnion 8-177-923. Al. Jockson 7-1712-1427:

Moration 3-197-923, M. Jockson 7-1712-14-27;
Ellis 4-16 11-11 27, Munombo 7-12 5-7 19, Rebounds—Los Anquies 99 (Vought 10), Denver
60 121lis 15), Assists—Los Anquies 22 I Gront
10), Denver 33 1R, Williams 51,
Pitoenix 30 33 33 32—121
Golden State 30 32 32 32—134
Barkley 9-24 6-9 28, Maiteri 7-14 3-5 28, F.
Johnson 9-11 3-3 22; Owers 9-12 7-11 25, Mullin
14-22-8-3 3, Hordowoy 9-18-7-12, Rebeands—
Pheenix 49 (Bartley 18), Golden State 47 (Owers 11), Assists—Phoenix 33 (Molerie 7),
Golden State 29 (Hordowoy MI,
New Jarsey 33 13 17 30—14
Socramenio 43 33 24 18—49
Morris 7-11 1-1 15, Petrovic 9-18-8-6 26, Anderson 4-15 3-4 15; Richmond 10-17 4-7 26, W, Williams 6-13 1-3 13, Reboends—New Jersey 43
(Anderson, Bowle 8), Socramento 51 (Rombis 7), Assists—New Jersey 17 (Anderson 7), Socramento 19 (Richmond 6).

College Preseason

Indiana 78, Seton Hall 74 UCLA 86, Florida State Al **GREAT ALASKA SHOOTOUT**

Herr Mexico St. 95, Illinois 94 Ala-Birmingham 67, Tn.-Chaffee Alaska-Anchorope 84, Dayton 70 **EXHIBITION**

Arkonsos, 98, Australia 73
Asstan College 118, Kazakhstan 75
Melbaurne 71, Layola Marymount
Missouri 82, Bebrussie 96
New Orleans 101, Higoniyat, Budos
Oregon 51, 95, Canberra Australia
Southern Cal 79, New Zeoland 51
Shuttpori 68, Brodley 50
Texus-San Annola 74, Bamberg, Ge
Wa. Green Boy 44, C. Bamberg, Ge
Wa. Green Boy 44, C. Bamberg, Ge

ECOTE AL Major College Scores

Miami 63, San Diego St. 17 Noire Dame 31, Southern Col 23 UNLV 33, Cal St.-Fullerton 15 HOCKEY

NHL Standings WALES CONFERENCE

the Division

16 7 2 34 112 88

14 9 2 30 10) 86

14 9 2 30 112 82

8 12 4 20 7) 102

8 13 2 16 81 94

Harritord 0 2 1 8-4
Boston 2 2 0 1-5
Craven (9), Nylonder (1), Zolowski (3), Sonderson (9); Bourque (4), Juneau (9), Ruzicku
(18), Kvartolnov (14), Donate (5), Shots on

Photocupach Malakhov (6), King (12), Marais (1); Fedyk (11), Barrie (2), Galley (3), Brind'A-mour (8) Z. Galley (4), Shots on goal—New York (on Roussel) 11-6-8-25, Philodelphia

Stevens (16), Epyrolis (5), Carpenter (3), Kry-gler (6), Ethyrolis (5), Carpenter (3), Kry-gler (6), Intrate (4) 2. Ridley (7). Shots on soci—Phisburgh (on Hrivnok) 11-74—26. Woshington (on Barrasso) 11-18-9—26. Vioshington (on Borrosso) 11-18-9-38. San Jose 1 1 8 8-2 Whather 1 8 1 1-3 Courtenay (4), Carter (3); Davydor (12),

Irbs, Horword) 9-17-8-4-38.
Chicago 3 1 4-8
Edmenten 3 1 6-8
Lormer (8) 2, Chellos (7) 2, Kucero (3),
Soriiin (3), Krovchok (3), Suther (2), Glichrist
(5), Shoh on sodi-Chicaso (on Romford) 20-14-1-45, Edmenten (on Wakte) 12-9-4-27,
Tampe Bay
DiMolo (4), Monascu (1); Suter (5), Reichel
16,, Olto (6), Skels as sedi-Tomas Bay (on
Vernon) 9-19-7-9-35, Colgary (on Jobionski)
8-19-1-31.

Philadelphia 1 1 1—8
M.Y. Islanders 2 4 3—9
Recchi (16), Paslawsid (7), Carkner (1); Torgeon 1151 2, Thomas (8), Delsarno (1), Ferrero (7), Volek (3), Laiselle (2), Fitzperoid (2),
Kurvers (1). Skeits on pool—Philadelphia (on
Heaty) 13-8-14—36. New York (on Beuregord)
15-16-9-40,
Beston

(24), Nedved (14) 2; Schneider (5), Kesne (5), Muller (7), Ronan (2), Destardins (6), Shotson 9001—Vancouver (on Ray) 9-15-13—37, Mon-

Minnesota 3 3 4—18
Byers (3), Gorpeniov (3), Snupperud (4);
Elik (3), Duchesne (10) 2 McPhee (4), Govin
(2), Brofen (4) 2 Erois (11) 2 Dakten (6),
Stets an seat—Son Jose (on Caser) 7-1810—27. Minnesota (on Hacksti) 9-14-17—40.
Los Angeles 2 8 8—2
Taracto 3 8 8—3
Leveque (1), Granato (8); Krushekryski (7),
Cullen (5), Osborne (1), Shots an seat—Los

Hrudey) 19-7-15-41.
Chicage 3 2 1-5
Colour 8 1 1-2
Rosolck (14), Larmer (11) 2, Runtru (9);
Roshelm (4), Fieury (12).
Shots as goet—Chicago (on Vernon) 14-11-9-34.
Cotgory (on Belfour) 9-7-18-26.
Detreit 8 1 1 8-2
Yasboert (12), Shepsard (7); Brown (11).
Allier (5), Shots an yeal—Detroit (on Haber) 15-11-11-1-38. St. Louis (on Riendeau) 7-14-8-1-30.

SOCCER

Selanne (17), Steen 15), Shots on sect—Son Jose (on Essenso) 13-15-8-0-36. Winnipes (on Irbs, Hayword) 9-17-8-4-35.

Boston 2 1 5 8—2 Horritari 1 1 2 1—4 Juneau (18), Oates (10) 2: Sonderson (12) 2: Crows (18), Stots as soak—Boston (on Ple-tronedol 9-14-3-32, Harritard (on Lesselin) 7-4-5-3-20,

Dordrecht 90 8, PC Volendom 4
Willem II 1, PC Den Besch 1
Go Ahead Boeles 8, PSV 3
Fortuno Sitterd 4, RKC 1
Stendingst: Pev 24 Aloct 18, Pevencerd 18, PC Utrecht 18, PCC 18, PC Twente 17, Vilesse
18, Willem II 15, Sporto 15, Rodo JC 12, GA
Boeles 12, RKC 12, PC Grondingen 11, PC Velendom 9, Combour 9, PC Den Besch 7, Fortuno 5 6, Dordrecht 90 5.

PC Utrecht 2, Roda JC 1 PC Twente 1, Combour 1 PC Graningen 8, Alox 3 Peyenoord 3, MVV 4

Peyencord 3, MVV 4 Vitesse 2, Sporto 2 Dordrecht90 9, PC Vold

ENGLISH PREMIER LEAGUE
Chelsen 1, Leads 9:
Arsenal 9, Manchester United 1
Aston Vitio 2, Norwich 2,
Blockburn 1, Queens Park Rangers 0
Ipswich 1, Everton 8
Liverpool 5, Crystal Poloce 0
Manchester City 9, Tottenhom 1
Nottisshorn Forest 1, Southensborn 2
Oldnam 4, Middlesborough 1
Sheffield, United 1, Coventry 1

Notifisation Forest 1. Southernston 2 Ordinan A Middlesboroush 1 Sheffield United 1, Coveniry 1 Wimbledon 1, Sheffield Wednesdoy 2 Steadless: Norwich 34, Blockburn 31, not 29, Aston Villa 28, Chelsec 28, Manch United 27, Queens Port Konster's 26, Manch City 25, Liverbook 26, Issaich 25, Covenir Toffenhorn 22, Leeds 21, Middlesbrookh 21, Best Wednesdow 21, Southernston 19, Outhor field Wednesday 20, Southampton 19, Oldham 16. Sheffield United 18, Everton 14, Wirnbiedon 15, FRENCH FIRST DIVISION . .

Le Havry 2 Metz

Sachoux, 1, Litte 9
Nimes 2, Lyon 3
Lens 9, Toulouse 2
Standings: Nante 21, Parts 22, Aucerre 21,
Monaco 21, Marsellie 21, Bordebux 28, Saint
Effenne 17, Sirosbourg 17, Sochoux 17, Montetellier 16, Le Horze 15, Lyon 15, Coms 14, Metz
14, Toulouse 13, Nimes 12, Votencisones 11,
Lens 11, Litte 11, Toulon 9. GERMAN FIRST DIVISION

Eintracht Frankfurf 1. Bayer Verding FC Kalterslautern 2. Hambury 5V 2 Borussia Dortround 4. FC I Leverkusen 2, Wortenscheid 1 Dymomo Dresden 1, PC Schollte 0 Werder Brinnen 2, Soortrucked 0 Steedlegs: Boyern Munich 20, Elektricht Fronkfurt 21, Werder Briemen 72, Karfsruhe SC 19, Boyer Leverkusen 18, Berussia Dart-

SPANISH FIRST DIVISION

Burnos 1, Zarogozo 1 Sporting de Gijon G. Athletic de Billigo 4 Albacete 3 Logranes 1 Deportivo de La Coruna & Volencia 0

Second Round, Group A Saturday, at Topoclyatpa, Hono

SECOND THEST Brice vs. bedie, Third Day rice, in Johannesburg

FIRST TEST re Zackund vs. Sri Lanka, Third Day Sunday, in Moratuma, Sri Lanka Zealand 1st lankass: 288

Michael Jordan being helped off court after injuring his left foot.

mund 18, VfB Stuftpart 17, FC Kofsersloutern 16, FC Dynamo Dreaden 15, FC Nuremberg 15, Homburger SV 15, FC Soorbruecken 13, Scholke 13, FC Cologne 11, SG Walfenscheld 16. Borussia Moencheaglodbock 16. Bayer Uerdingen 16, VfL Bockum 7. World Cup Results

PYALIAN FIRST DIVISION
Ancona & Capilori 1
Atolomia of Berganio 2, Udinese 0
Pogola 1, Pescaro 8
Genoa 2 Torino 1
(internazionale of Milon 2, Brescia 1
Juvanius of Turin & AC Allian 1
Lazio of Rome 1, AS Roma 1
Napoli 4, Florentina 1
Parma 1, Sampdoria of Genoa 8

Hapoli 4. Fiorenfino 1
Pormo I. Sampdorio of Genoo 8
Standaga: AC Allion 18, Internationale of
Allion 15. Juventusof Turio 14. Torino 15. Sampdorio of Genoo 12, Copilari 12, Pormo 12, Piorenfino 12, Atsianto of Berson

Diamuna 3, Cella 8 Real Sociedad), Raya Vallecano 2. Real Madrid 3, Oviedo 2

Descritive de Lo Ceruno 6, Volencia 0
Sorcelona S, Espanol 0
Tenerite 1, Codiz 1
Sevillo 1, Artetico de Madrid 3
Stendings: Barcelona 19, Roal Modrid 18,
Atletico de Madrid 12, Descritivo La Coruna
17, Sevilla 15, Atletic de Billino 14, Volencia
14.5parting Glisto 14, Raye Valleccoe 12, Zaragoza 12, Ososuda 11, Tenerite 18, Espanol 19,
Celto 16, Ovledo 9, Albacete 8, Real Sociedad 8,
Codiz 8, Burgas 8, Losrones 5.

WORLD CUP QUALIFIER

SKIING

MEN'S GIANT SLALOM Results Superior from the eponing event of the Abbies aid section in Seatrlera, Hely Good Manag in mercathenes): 1, Klefif-Andre Apitmes in puresthenes): 1, Kleffi-Andre Ac-modit, Norway (54.56-52.78), 1:48.34 milnotes) 2. Alberto Tombu, Italy (54.97-64.24), 1:48.81 ; 3, Johan Wallner, Sweden (54.97-64.24), 1:49.21; 4. Tables Borserson, Germany (55.97-54.53), 1:49.94; 5, Richard Kroell, Austria (55.97-54.53), 1:49.97; 6, Losse Klus, Norway (55.92-54.36), 1:59.22; 7, Paul Accolo, Switzerland (55.77-55.67), 1:59.24; 8, Stave Locher, Switzerland (55.57-62.77), 1:49.45; 9, Diddly Morteland (55.57-62.77), 1:39.24; 8, Stave Locher, Switzerland (55.57-62.77), 1:39.24; 8, T ---

3.7

7

τ.

122

N. H. F. F.

-

d-b

127 ·

::--

\$4.73), 1:50.26; 9, Didrik Morksien, Norway (56.74-95.08), 1:50.27; 10, Mattea Belfrand, Ho-(55.19-55.00), 1:50.27; 10. Moiteo Bel ly (55.47-54.09), 1:50.36; MEN'S SLALOM

MEN'S SLALOM
Sender's resolts from Seatrlere: 1, Febrizio
Tescori, Italy, 1:SL48 (SSS-1:32.98); 2, Michoel Trifscher, Austria, 1:38,84 (86.52(:32.94); 3, Hobert Strotz, Austria, 1:59.24 (56.62-1:02.21); A Arrike Bitter, Gerpont, 1:59.24 (56.62-1:02.21); 5, Marc Girardelli, Luncembourg, 1:59.24 (56.62-1:02.22); 5, Marc Girardelli, Luncembourg, 1:59.24 (56.62-1:02.22); A Portice Blanchi, France: 1:59.44 (53.84-1:02.20); 7, Fobla de Grienis, Holy, 1:59.75 (56.11-1:02.64); 8, Roper Prumotion, (109.1-10.64); 8, Roper Prumotion, (109.1-10.64); 1:59.91 (56.38-1:02.31); 9, Michoel Voterusen, Setterion, 1:59.94 (56.79-1:02.77); 11, Thomas Shangussinser, Austria, 1:59.57; 12, Bernhard, Gattrain, Austria, 2:00.02; 13, Richard Promotion, Halv, 2:00.77; 14, Diddili Markshen, Nerway, 2:01.13; 15, Dietmon

World Con standings: 1, Acrost and Tescart 100 paints 1 3, Tomba and Triester 10; 5; 5; 5trois, Bitmer, Wolfrer, on 46; 6, Girardellist; 9, Barbertani 20; 40, Nortains 47.

WOMEN'S GLANT SLALDM
Results Saturday from Park City, Diob; 1,
Urities Maier, Austria, 2 minutes, 2127 seconds; 2. Carole Merie, Prance, 2:2276; 3,
Vrest Schender, Switzerland, 2:2276; 7, Perillia Wiberg, Sweden, 2:22/6; 5, Antio
Watchier, Austria, 2:22/61,
America Elaidradi, Marcany, 2:22/65; 7, Hel. 4. Merete Fjetdavil, Norway, 2:2245; 7, Hei-di Zeller, Switzerland, 2:22,75; 8. Astrid Laede-

at Zener, switzer conduct 22.25 & Activit Lever-mal, Norwey, 2:22.10; 9, Julie Portieto, Ac-burn, Maine, 2:22.12; 10. (iie) Sophie Leftonce. France and Michaela Gery, Ger-mony, 2:22.32. 12. Andrea Schwarzenberger, Germony, 1:22.45; 13, Edith Thys. U.S. 2:22.54; 14, Wordy Children 11: 2-22.67; A Area March March 2:23.40; 13; ESBS 11172-U-5. 2:26.27; 14; vvvus Fisher, U.S., 2:23.67; 15. Anne Berge, Norvey, 2:23.77; 14, Dionn Roffe, U.S., 2:23.78; 17, Evu Twordoloses; U.S., 2:22.89; 38. 5ylvio Eder, Aus-friq, 2:23.98; 19, Petro Bernet, Switzerlood, 2:24.27; 28, Angellio Hurler, Germany, 2:34.24.

DENNIS THE MENACE



OSOME ULSSET HE STOOD UP AND SPOKE UP. SPOUTH

(Anguge) tomo Jumbus: CRAZY PAPKA GULLET MISERY What you have to be in order to study the haro—"PLUCK-T"

It's never been easier to subscribe and save. Just call our Zurich office toll free: 155 57 57 or fox: (01) 481 82 88

To our readers in Switzerland

PEANUTS













Imprimé par Offprint, 73 rue de l'Evangile, 75018 Paris.

CALVIN AND HOBBES









WIZARD of ID



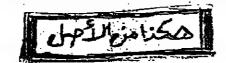


REX MORGAN









rs skilled

Tomba's a Bomba as Aamodt and Tescari Win Season's First Races



A disappointed Alberto Tomba after he fell in the second run of the slalom on Sunday, losing what had seemed to be a certain victory.

Slalom Fiasco Caps Weekend of Woe for All-Italian Hero

By Ian Thomsen mal Herold Tribune SESTRIERE, Italy — The giant slalom course squirreled down to the finish line like the bottom half

of a question mark. At its period waited Albert Tomba, chest heaving, looking up the mountain. Up on top of the hill, the young Nor-wegian appeared in distant minia-ture, sailing back and forth like a ture, sailing back and forth like a dry leaf falling from a tree.

The people, standing tens of thousands of them alongside the sloped fences, were watching the Norwegian but cheering on their Tomba. Not two minutes earlier he had finished in tentative first place in the opening race of the 1992-93 World Cup season. Struggling now to regain his breath as his Norwegian challenger grew ever larger down the mountain, Tomba fixed a

brave smile, one not for glory. Tomba will turn 26 in less than a month; he has begun to discuss retirement - three years from now, he says. He was standing in his ski boots Saturday with a television camera staring at him when the noise died all around as quickly as a fire starved of oxygen. Suddenly this Norwegian, Kjetil Andre Aa-modt, just 21 years old, had no concern for his precise time — a combined 1:48.34, or .47 seconds faster than Tomba. Aamodt's skis could be heard whispering across the snow. He thrust upward his poles, stabbing at the quiet. You knew you won when all went silent, he was told.

had won the Olympic super-G. He amended his statement. "It's one of my greatest achievements," Aamodt said. It was his only his second World Cup victory.

More important in the overall scheme, it was Tomba's first disappointment in what would become for him, as he dusted the snow from his orange suit, a bummer week-end. He had won four of the previous five races at Sestriere. His first World Cup victory had been here, in 1987, as his new fans erupted, and be shouting, "I am a beast!"
Tomba was 20 then. He was Aa-

modt.
"The conditions favored Aamodt today," Tomba said. "The runs were short and fast. I prefer to race longer and tougher giant sla-loms, but a top three finish is O.K."

Tomba would not be popular without his results — 28 World Cup victories, three Olympic gold medals — but for his failures is he beloved. He touts his womanizing and partying, and if not for such vices he might have won even more. But then he would not be Tomba. Disappointments in 1988-89 led him to hire a psychiatrist. He admittedly has not regained total confidence.

If be skilled the dangerous super-

Gs and downhills, he could win the overall championship; without them he finished No. 2 in three of

"Yes, that's true," Aamodt agreed. "It's a great feeling and it's my greatest win ever, I think." the last five seasons, and he already has given up hope of winning it this Tescari — the fans cried out for year. At Albertville, after becoming him, but Tomba offered just one Happiness was overwhelming the first skiller to win back-to-back mad won the Olympic war. At Albertville, after becoming the first skiller to win back-to-back golds in the same war. golds in the same event, he at-tempted to defend his other Olym-waiting truck. pic title in the slalom. His first run was horrible, 1.58 seconds slower knee injury three years ago. As he than leader Finn-Christian Jagge of began his second run Sunday, he than leader Finn-Christian Jagge of Norway. Tomha skiied the second

run in the definition of a legend, surging past eight of those in front of him, beaten only by Jagge. Tomba collapsed at the finish line to a public roar. Beaten, but loved.

inside a heart, which hovered like then he rushed down the hill again, the sun over Lake D'Orta, Italy. determined to be the combined "In my heart forever," the painting read. Standing beneath it, two men in his frenzy halfway there he had their photo taken, their eyes tripped over another flag. shut and hands clasped in prayer.

your word? Clean," said Alessandro Porro, 24, a clothes wholesaler from near Turin who helped friends prepare a 40-foot-long (12-ing to make up a 1.09-second defi-meter) banner to Tomba. "He is cit to Tomba, had missed a gate at not built up. In Italy, especially in football, the athletes all say what they are supposed to say. You read np to be more than they are. They

sound all the same. "Alberto is special because he does what he wants. He is simple and clean. He goes to the disco, sees some people, and makes friends with them. He's not an actor. You yell and be turns around."

If his frailties make him human, Tomba understands that only success can keep him rich. On Sunday, slalom. As he turned around to see

wave. He then avoided their gaunt-

waiting truck.
Tescari, 23, suffered a terrible wanted only to be fast again. It has taken him this long to recover. Crossing the finish line to the surprising, soothing warmth of cheers, he spun a pole above his head like a lariat. Then he turned around and

On Saturday at least 20 signs greeted Tomba, many representing his fan clubs — from Bologna, Sestola; one came from Mexico. An oil the gates, a splash of snow appeared where there should be none. He had

At that point, his only real oppo-"I think he is so much, what is nent was himself. Paul Accola, last season's overall World Cup champion, had stradled a gate and failed to finish the first run. Aamodt, try-ing to make up a 1.09-second defithe top of his second run.

"I should have skiled in a less they are supposed to say. You read the interview, and they said nothing in the interview. They are built as you know, I don't compete to score points, but to win races."

Tescari, the winner in 1:58.48. held aloft the trophies of his first World Cap victory. People yelled his name and he turned around, but it was not the same. They were disappointed when he turned around.

As for Tomba, the flag had knocked loose his ski and spun him halfway around, sliding backwards he returned to the mountain for the down the hill, waving his arms to keep from falling. It was a humthe time of his first run—at 54.63, bling pose. They will remember it good for a .95 second lead over his the next time, when he wins.

Tokai Teio Triumphs in Japan Cup

FUCHU, Japan - Tokai Teio, the winner of last year's Japanese Derby, dashed up along the outside to beat the Australian horse Natu-ralism by a neck Sunday and woo the Japan Cup, one of the world's richest borse races.

Running before a record crowd

of more than 168,000, the 4-year-old colt ridden by Yukio Okabe covered the 2,400 meters (11/2 miles) of Tokyo Race Course's turf track in 2 minutes, 24.6 seconds.

The victory was worth 169 million yen (\$1.36 million) from a total

purse of 392 million yen.
Naturalism, a 4-year-old colt ridden by Leonard R. Dittman, was econd in 2:24.7 and received 68 million yen.

Dear Doctor of France, ridden by Cash Asmussen, finished third in 2:24.8, a half length behind Nat-

uralism. The presace favorite in the 14horse field, User Friendly of Britain, finished sixth under George Duffield. The jockey said User Friendly lost strength at the end "because of exhaustion from previ-OUS TACES.

It was Okabe's second victory in the Japan Cup, the only race in this country that is internationally recognized as a Grade One competi-

Okabe, who had won aboard Symboli Rudolf in 1985, called it an unforgettable victory."

"I had no specific strategy but I wanted to make sure be ran com-fortably in the early stages," added Okabe, who rode 10 winners in two days earlier this month.

Legacy World of Japan, ridden by Hideo Koyanchi, led from the start ontil the final stretch, but end-Dr Devious of Britain ran sec-

ond to Legacy World in the early going but slipped to 10th place.

The lone American entrant, the 5-year-old Quest For Fame, finished a distant 11th. Officials said ticket sales for the race totaled a record 31.5 million

yen, breaking the previous record of 23.8 million yen set in 1991. In prize money, the Japan Cup runs a close second at present ex-change rates to the \$3 million Breeders Cap Classic, which offers Romania Beats Cyprus, Milan Wins Battle of Italy Compiled by Our Staff From Dispatches fluffed a penalty shot with two minutes to

Romania defeated Cyprus, 4-1, Sunday in the first leg of their European Group 4 qualifying match for the 1994 World Cup soccer championship.

Romania held the upper hand from the To the huge despair of the home fans, Vialli took only a single step back before stroking the ball toward the corner of the net, Substitute goalkeeper Sebastiano Rossi pushed the ball out, then made a fine save against striker Pier Luigi Casiraghi on a start of the match in Lacnaca, Cyprus, with Georgie Popescu scoring in the third minute. The Cypriots repeatedly counter-attacked in the next 10 minutes, but the closest they got

Juvenius wwas without leading striker

SOCCER ROUNDUP Roberto Baggio, recovering from a cracked rib, and England midfielder David Platt, out until the New Year after a knee operation

Cyprus' only goal followed three minutes later, a penalty shot taken by Pambos Pittas. Georghe Hagi scored Romania's third last week. The Italian champions have not lost in the goal off a deflected shot in the 70th minute, league for a year and a half. They got their goal when winger Marco Simone, alone in and Georghe Mihali got the fourth four-minutes from the end with a shot from haside front of the net, scored from a pass by Croatia's Zvonimir Boban.

Paul Gascoigne's first goal in the Italian league, four minutes from the end of a match in Rome, gave Lazio a 1-1 tie with Roma. Saturday. when Juventus star Gianluca Vialli casually Former Italian international oridicider Gui-

nutes after half-time. The match went off without incident, although under tight security. Saturday, the police found knives, clubs, chains and neo-Nazi banners hidden near Olympic stadium. There has been a rash of anti-foreigner and anti-Semitic incidents recently in several talian cities and in some soccer stadiums.

League officials announced that the Sampdoria-AC Milan match rained out in September will be played in Genoa on Dec. 23, turning down what sources said had been Japanese bids to have the match played in Tokyo.

Meanwhile Italian newspapers reported that Milan's veteran forward, Aldo Serena, formerly of Inter and Juventus, had received a rich bid to join the Japanese professional team Yomiuri. Olympique Marseille will be without

goal scorer Rudi Völler for several weeks after he dislocated his left shoulder during the 2-1 French league victory over Caen on

The German striker fell awkwardly after Kong.

seppe Giannini had put Roma ahead three after a clash with Caen midfielder Benoit Cauet, was taken to a hospital for treatment. Völler, who scored in Marseille's 2-2 European Champions Cup tie with Glasgow Rangers last week in Scotland, had only

> caused by a rib fracture. The United States has been drawn into Group A with Ecnador, Umguay and Veneznela for next year's America Cup, the South American soccer championship.

recently come back from a three week break

The United States and Mexico were invited to the tournament representing the CON-CACAF, the soccer region for North and Central America and the Caribbean. The United States won last year's championship of the CONCACAF region.

Brazil, Chile, Paraguay and Peru were drawn into Group B, with Argentina, Boliv-, Colombia and Mexico going into Group

* Brazil, with Jorginho scoring two goals, trounced the United States, 4-1, Saturday night and retained its FIFA Five-a-Side In-(AP, Reuters, AFP)

Maier Wins in Slalom For First Cup Victory

PARK CITY, Utah - Ulrike Maier of Austria, twice a world World Cup skiing race, ended years of frustration by capturing the sea-son-opening women's giant slalom.

Maier, who won the super-giant sialom gold medals in world championships in Vail, Colorado, in 1989 and Saalbach, Austria, in 1991, had climbed the podium 10 times - six second places and four thirds — since joining the World Cup circuit in 1985. But she had never ascended the top step.

"In every race," she said, "you think you can win, but after so many years, you begin to wonder if it will ever happen."

On Saturday, Maier was third after a bizarre first run in which only three members of the top seed of 15 racers managed to crack the top 10. The open set of the gates for the first run played to Maier's strengths as a super-G skier, and although the second course was a bit tighter, she found a rhythm to edge Carole Merie of France.

Maier completed two trips down the 4,200-foot (1,280-meter) course in 2 minutes, 21.87 seconds, 23 faster than Merle, the defending World Cup giant slalom champion.

Vreni Schneider of Switzerland,

ishing only 14th, 1.39 seconds back, in the opening heat.
Pernilla Wiberg of Sweden, the

champion but never the winner of a
World Cun sking race, ended years
champion, was fourth in 2:22.43. She was followed by Anita Wachter of Austria in 2:22.61.

The American team had been boping for better things from its strong giant slalom team, but the first run put the likes of Julie Pari-sien, Diann Roffe-Steinrotter and Eva Twardokens too far back. Roffe wound up 16th and Twardokens was 17th.

There was some encouragement for the American team, however. Edith Thys, a surprising fifth after the first run, skied somewhat conservatively to place 13th overall in 2:23.54, and Wendy Fisher was 14th, another .07 back, after plac-

ing eighth in the opening run.
It was a strong comeback for buth skiers. Thys was expected to challenge the world's best last season, but a combination of injuries and lost confidence reduced her to a perennial also-ran by season's end. Fisher was making her first start since a spectacular crash in practice for the Olympic downhill left her with a broken wrist and damaged knee and ankle.

Among those finishing far back was Austria's Petra Kronberger, the three-time defending World Cup overall champion. She was seeking her 41st career victory, 19th in the morning and 25th over-claimed third in 2:22.37 after fin-

ESCORTS & GUIDES

Bowe May Next Defend His Title At Halftime of Super Bowl Game

By William Gildea

was hitting the Romanian goal's upright bar. The visitors, on the other hand, played gnardedly, with their second goal coming ou

a long shot by Florin Raducioin, in the 36th

* In Turin, AC Milan won the clash of

point lead in the first division standings

Italy's soccer giants, I-0, to take a three-

Washington Post Service
WASHINGTON -- First it was China. Rock Newman, manager of heavyweight champion Riddick Bowe, thought it would be a good idea if Bowe defending his title against George Foreman in Beijing. Now he has another idea: He would like to have Bowe defend his

title Jan. 31 at Washington's Convention Center during halftime of the Super Bowl football game. It would serve as the Fox televi-sion network's halftime counterprogramming, which attracted a significant number of viewers last ar at halftime of the Washington-Buffalo Super Bowl game.

Bowe's opponent need not be the most proficient — there is only 32

minutes in a Super Bowl balftime and it would be helpful if Bowe could knock him out on deadline. "If Rock wants to do it and Riddick wants to do it, this is a real possibility," said Jay Coleman, president of EMCI, the entertainment

marketing firm that put together the "Halftime Party" that Fox showed last year during halftime. "The biggest reason for Riddick to do it is the visibility," Coleman said. "About 120 million viewers

watch the Super Bowl and we believe enough would switch over so that it would be the biggest single audience in the history of boxing."

To counteract counterprogram-ming, Michael Jackson has been lined up for this year's Super Bowl halftime. But Newman and Coleman envision a clamor to switch to a heavyweight title fight.

Newman said he would know more next week when the manager

for Lennox Lewis, Frank Maloney, is expected to call back with final word on Newman's proposal for a Bowe-Lewis fight. Negotiations didn't go well when the two met with promoter Dan Duva for 31/2 hours Wednesday in New York.

Maloney said Newman wanted too big a cut, but Newman said he made two "legitimate" offers. "Then they went back to England," Newman said. "I think they want to fight the Queen Mother." Earlier, Newman met with Bob

they couldn't come to an agreement, either. Both said afterward they doubted that a Bowe-Foreman fight would take place. But Newman said a pay-perview fight between Bowe and Ray Mercer in April in Las Vegas is a distinct possibility.

A little fine-tuning is all it might take for Bowe and Mercer to get together — unless Lewis changes his mind quickly. In fact, Bowe could fight Mercer, Tommy Morrison and maybe Michael Moorer, another undefeated heavyweight, before Lewis.

"Tve given them two chances," Newman said. "If they don't act quickly, they can get back at the end of the line." As for the World Boxing Council

belt, which Bowe would be stripped of if he doesn't agree to fight Lewis next, Newman said, "It is not on our list of priorities.

Even if a fight with Mercer in April is arranged, Bowe could take on a hand-picked opponent on Su-

■ In weekend title bouts, The Associated Press reported: Pichit Sithangprachan of Thai-land knocked out Rudolfo Blanco

Arum, Foreman's promoter, but of Colombia with explosive combinations in the third round Sunday in Bangkok to win his IBF flyweight crown.

· Chris Eubank won a unanimous decision over Paraguay's Juan Carlos Gimènez to retain his WBO super middleweight title in Manchester, England

SIDELINES

Aoki a 2-Stroke Victor in Japan Golf

KAIMONCHO, Japan (AP) — Isao Aoki of Japan, back from his debut on the U.S. senior tour, shot a one-under-par 71 on Sunday for a two-stroke victory in the Casio World Open Golf Tournament. Aoki birdied the second and fifth holes Sunday, bogeyed the eighth, birdied the 14th and bogeyed the 17th, finishing at 11-under-par 277. Chen Tze-ming of Taiwan shot a bogey-free 67 to finish second at 279. Tsukasa Watanabe of Japan was third with a 68 for a 280 total.

Elkington Wins Australia Open Golf

SYDNEY (AP) — Steve Elkington of Australia kept cool in wet and windy conditions on Sunday to shoot a 2-over-par 74 and score a twowhity conductions on standay to shoot a 2-20-cr-par 74 and score a two-shot victory in the Australian Open golf championship.

Elkington had an 8-under-par total of 280 on the 6,791-yard, par-72. The Lakes course, two strokes ahead of his compatriot Peter MeWhinney, with a 73, and Duffy Waldorf of the United States, who shot a 71.

Australia-U.S. Cup Match on Grass MELBOURNE (AP) - Australia will face the United States in the

first round of the 1993 Davis Cup tennis competition on a grass court at

Kooyong from March 26-28, Tennis Australia said Sunda Kooyong, in suburban Melbourne, was the venue for the Australian Open until six years ago. In the 1992 Davis Cup final next weekend, the United States faces Switzerland in Fort Worth, Texas.

Loïck Peyron of France, a favorite in the Vendée Globe Challenge around-the-world sailing race, quit the contest on Sunday. (AFP)

Earl of Barking, an Irish entry making his first start in the United

States, rallied down the stretch to win the Hoist the Flag Stakes at States, rallied down the stretch to win the France. (AP)
Hollywood Park on Saturday in Inglewood, California. (AP)
The outfielder Billy Hatcher, 32, and the Boston Red Sox agreed Friday
(AP)

Gernany will stage the 1993 European basketball championships from June 23 to July 4, the sport's governing body, FIBA, said Sunday. (UPI)

TO OUR READERS IN HOLLAND

It's never been easier to subscribe and save. Just call today: 02503-24024

Baseball Council May Oust Reds' Owner Schott

By Ross Newhan

(AP, AFP, Reuters)

Los Angeles Times Service

LOS ANGELES — Major league baseball's executive council will meet by phone
Tuesday to begin an investigation into the
controvary surrounding Marge Schott, the
chief executive officer of the Cincinnati Reds.

A team proper and member of the recruitive A team owner and member of the executive council said that, depending on the result of

that investigation, there is a strong possibility that Schott will be asked to resign at the winter baseball meetings that begin next weekend. "If an investigation proves her statements are accurate," the owner said of the racist and anti-Semitic statements that have been attributed to Schott, "she will probably be asked to resign at Louisville, and for the good of the game and herself, I hope she does."

If she does not, said the owner, who declined to be identified, "I suspect she will be suspended for life. The situation has become too destrictive to baseball."

Former employees of the Reds, in depositions taken for a wrongful-firing suit last December said Schott, who has a majority holding of 18 percent in the team, made racist references and kept a swastika armband in

of the Oakland Athletics, subsequently said that she heard Schott say during a conference call with other owners that she would rather have a "trained monkey" working for her than another black.

The owner said Saturday night that Schott might not recognize what she is saying and how she is saying it, but she has a penchant for making remarks of that type.

"Gentile, white, Hispanic, It's anybody and everybody," the owner said. "She doesn't trust anybody, doesn't like anybody. Everybody who works for her is

stupid and incompetent. She seems to harbor a lot of negative feeling." In an interview with the New York Times published Sunday, Schott only seemed to inflame the situation, while insisting she is

She acknowledged using racist terms, but said she meant it "only kiddingly." They were "joke terms," she said.
She acknowledged that "nigger" is a demeaning word but said, "blacks call it to each

Schott also recalled being admonished by

National League President Bill White for using the word "Jap" when speaking with him last week.

"Bill said to me, 'Marge, will you quit that!'" she quoted White as saying, "I said, 'Bill, I didn't know it was so bad. But I'll stop." I didn't mean to insult the Japanese. I love them. I have the greatest respect for the way they've come hack in the world."

Earlier, Jackie Autry, executive vice president of the California Angels and a member of baseball's ruling executive council, said the council will examine the situation and "take extraordinary measures to deal" with Schott if her statements are accurate. "I'm very concerned," Autry said. "If, in-

deed, those statements are accurate, the

council will take some type of disciplinary action. There is no place for statements and attitudes of that type in baseball, but I don't want to hang her until I know the facts." Peter O'Malley, president of the the Los Angeles Dodgers, said that "if the statements attributed to Marge Schott are accurate, 1 believe Mrs. Schott should resign as chief executive officer of the Cincinnati Reds."

ESCORTS & GUIDES BELLE EPOCH LONDON 971 937 8052 Credit Cards Walcon **MERCEDES**

For the Record

ESCORT AGENCY
MAJOR CREDIT CARDS ACCEPTED
TEL: LONDON
(971) 351 6666 ** 1 st LONDON **
ESCORT AGENCY
CREDIT CARDS ACCEPTED
(071) S\$1 0001

International Escorts
Service Available Worldwide
212-765-7896 New York, USA
Vojor Credit Cards & Checks Accepted

INTERNATIONAL CLASSIFIED (Continued From Page 24) **ESCORTS & GUIDES ESCORTS & GUIDES**

GENEVA * ESCORT AGENCY * ZURICH AGEL ** LAUSANNE ** MONTREUX Gradt Cords Accepted GENEVA To : 02Z / 73Z 6015

** ZURICH NEW ** VIOLET ** Excert Service. Credit contis accepted Tel: 077 / 63 83 32. • • Z U R I C H • • Caroline Escort Service 01/252 61 74 CHEISEA ESCORT SERVICE. 51 Beauchamp Place, London SW3 Tel: 071-584 6513 Established 18 yea LONDON BRAZZLIAN Escort Service (17) 724 5597/91 Open 7 days IONDON PORTMAN Escert Service, 67, Chiltern St, WT. 971 486 1158 ESTABLISHED 20 yrs Interpreter Service. Tel: +36-1-2014357. "BLONOES" GERMAN "SWEDISH" ITALIAN Escori Service, Centrel London Heathrow, Tet. 071 730 0405. ESCORT SERVICE TEL LONDON 071 794 8187

BRUSSES ESCORT SERVICE CATHY
7 days a week. 734 15 86 - 733 33 21
- piti) 86 71 56
MILAN LUGANO VENICE EXCLUSIVE
Escort Service. Tak. (39-2)
805/516 or Tek. (39-362) 557417. CANNERSAN ESCORT AGENCY Central London based, open 7 days week. Tel. (071) 233 700 credit control compiled. TORYO *** ESCORT SERVICE ESCORT SERVICE all over Germany Tek (02161-183650 or 183599 Worldwale Escot 5 Guide Agency. Tel: Tokyo 3588-1590. EMMA * LONDON Major credit cards occepted.
Tel: 0/3 3436-4578.
AMSTRIBDAM LIBERTY RNT'L Escort S
Guide Service. Credit cards accepted.
Tel: 0/20-6180604.

GENEVA & PARIS CONNECTION

* PRISTICE NITL ESCORT SERVICE *
GENEVA Tel: (022) 321 99 61

ZUBICH * BASEL * BERNY

Yeste Econt Service

Zurich 01 / 432 87 81 Cords

FR A N K F II R T & A R E A

Mora's New Infl Escort Agency.

Please Cell 069 - 597 66 66. Doily.

LONDON *EMANUELLE* Freich

*Swedish*Bolom escort serven code. **ESCORTS & GUIDES** DUESSELDORF COLOGNE FRANKFURT
Monique & Catherine Escori Service.
Tel 01611204519.
DRIENTAL ESCORT SERVICE LONDON*EAMANUELLE*French
*Swedsh*Bolon escort service creditcards 071 373 6086 & 0831 533883
MUNICH* WELCO ME
ESCORT S GUIDE AGENCY.
REASE CALL 089 - 91 23 14 Days and evenings. Please phone 071 225 3314 Landon. SUSAN ESCORT SERVICE
Zurich: 01/392 05 80
Genevo: 077/77 93 05
GENEVA GENEVA ESCORT Service.
Major credit cards accepted. 7 days.
Tel: 077 / 91 00 90. MAHARAJAH London Escert Services, piso Combbean,

PLEASE CALL MET - 1 and 1 NICKY - LONDON Encort Service. Days / Evenings. Tel. 07/ 792 0881.

BARCELONA GOLDEN - 1 Encort and Golde Service. Meditinguid. Tel. 313,430 47 60. VIENNA - PARIS - BLIDAPET Eu-corator Int Scott + Travel Sevice. Call Vienna + +43/1/6160102. MAHAMAMAH London Scott Services, pido Corribbean, Tel; (97) 385 3070. LONDON GERSHA ESCORT Service. Tel; (97) 370 3757. Credit Cords Welcome. Tel 631 06 43 or 631 63 36

Princess Escont Service, 7 days.
Tels 0161/ 26 43 075 PIGATE TIME ESCORT SERVICE In Manhation Doys/Evenings " NORMAY - CHLOE " "
Escort and Dining Service. Cell Celo,
Tel. + 47-2-899957.

ITALY - PARES - COTE D'AZUR
French Rivera Scort Agency Daol (In/1) + 39 184 348 87 Call 01714104597.

To subscribe in France just call, toll free,

Whitney Houston: Yes, People Will Talk

By Hilary de Vries

Washington Past Service
OS ANGELES — Even before the platinum records and the sequined gowns and the whole pop diva thing. Whitney Houston was being dogged. The rumors and the tabloid headlines — like "the one the other day, "Little Miss Perfect," " complains her mother, Cissy Houston — are weirdly close to the schoolyard taunts 25 years ago in Newark, when Cissy sent her daughter out in bows and pinafores, a real standout in the neighborhood. "Kids," says Cissy Houston, "can be cruel."
For most of her life, Whitney Houston has been a

compilation of contradictions. The girl from a middle-

The music crowd can be rough on its stars, especially Little Miss Perfects.' As her mother says, 'Kids can be cruel.'

class, churchgoing family at odds with her classmates became a star at 29, but her success has come with a price. No wonder Houston buried her face in Kevin Costner's shoulder in the ad for "The Bodyguard," a romantic thriller just released in the United States that stars Hnus-

ton as, surprise, a pop music diva.

It is her first film role, and she looks as if she's trying to duck ber fate as possibly the world's most misunderstood.

Ever since she shot to the top of the charts in 1985 with her debut album, "Whitney Houston," she has played to the public with a somewhat curious image. That first album, released when she was barely 22, sold 18 million copies worldwide. By 1988, she had made \$45 million and surpassed The Beatles with No. I consecutive hits. "Whitney Houston," declared Rolling Stone, "is blessed with one of the most exciting voices in years."

Despite her three-octave range and lyrical authority, Houston battled suggestions that her relentlessly up-tem-po music was formulaic and that her success was largely a marketing phenomenon created by Clive Davis, the founder and president of Arista Records, who had revived the careers of Aretha Franklin and Dionne Warwick.

Hnuston's transformation from gospel singer to belter of generic ballads — "Saving All My Love for You" and "How Will I Know" — also fueled the impression, particularly within the black community, that she was a bland crossover artist who could not lay claim to her talent. She was booed at the Soul Train Awards and satirized -"Whitney Houstou's Rhythmless Nation" -on Fox's "In Living Color." Behind the scenes, she has had to deflect a series of rumors that she is gay. Those rumors have persisted beyond Houston's marriage last summer to singer Bobby Brown, a rap artist six years her junior and with

whom she is expecting her first child in March.

Like many couples with separate high-powered careers,
the two seem to spend little time together. Brown continues to own a home in Atlanta and is supporting the release of his third solo album, "Bobby," with extensive touring,
"We had a week together a little while ago, and we will
have another week together very soon," says Houston,
who seems comfortable with the arrangement. Despite her soft-spoken and even shy demeanor, Hnus-ton seems inured to the gossip. "When you reach a certain height," she says matter-of-factly, "you will stand out, and you will always be criticized. My mother told me this would happen. 'You think you're a success? You have seven No. 1 songs? They're going to mess you up."
Houston pauses. "She wasn't lying."

Right now, however, the singer seems unconcerned about anything other than the buth of her child and her acting debut. She wears a modest wedding band, and a diamond-studded heart dangles from her neck.

Houston seems to have arrived at both a personal and professional crossroads. With the film, her marriage and her pregnancy, she seems to be sending out myriad signals that she is one step ahead of ber image. At the same time, Houston seems uncertain of just where that step has taken her. Asked if she has plans to make more films, she turns

"Oh, my agency is saying, 'Whitney, don't you want to look at this and that?" No, I just want to be pregnant and have my baby, you know."

Written by Lawrence Kasdan nearly 20 years ago, "The Bodygnard" tells the story of a pop music star, Rachel Marron, who receives a series of death threats, hires as a bodyguard a former Secret Service agent, Frank Farmer, and subsequently falls in love. It is one of Kasdan's earliest efforts, written before "Silverado" and "The Big Chill," when be was still an advertising copywriter in Detroit. When Kasdan met Costner in 1985 on the set of "Silverado," the actor became interested in filming the script. But it wasn't until 1990 that he agreed to produce and star in the film. His first choice to play the pop star?

There are certain singers that occupy that territory that includes a world-class voice, real elegance and a physical presence," says Costner. "Diana Ross and Barbra Streisand are two. Whitney Houston is another." But when the offer came to play the tempestuous Rachel — as well as sing six new songs for the soundtrack album — Houston responded with an emphatic "maybe."

"I knew it was the right project," she says. "But Rachel's character had to be fleshed out a bit. In the first draft she

was just mean and bitchy all the time. I mean, we all have our days, but I thought she should be a bit warmer."
There were rewrites and more discussions, but Houston still refused to commit to the role. Costner, who had screen-tested with Houston "because there is some method to my madness," put the film on hold for a year.

"I think she was scared, because as popular as Whitney is, she takes an unwarranted amount of shots" from the media, says Costner. "She is a real big target, so if you combine that with the fact that she could turn out to be a bad actress, that's a huge risk." Eventually Costner picked up the phone and made his case directly to Houston. "I mised her two things: that I would be right there with her and she would not be bad, because I refuse to let anybody fail around me."

"That was the thing that convinced me," says Houston. She offered to take acting lessons, but Costner declined. "Kevin said, 'Whitney, please don't do that. This isn't about technique, it's about your natural, charming character," says Houston. Despite the obvious similarities be-tween her own life and Rachel's, Houston spent several weeks in rehearsal struggling to make lines of dialogue sound as natural as song lyrics.



Whitney Houston and her husband Bobby Brown.

"It's easy for me to stand onstage and sing and relate to people," says Houston. "I know when to become powerful and when to quiet it down. That was the hardest part in acting - learning the words and letting them flow like I

was singing."

Although Houston is convincing in the film's concert scenes, she is far less at ease in the intimate ones. The sex scenes between Rachel and Frank are noticeably chaste-Houston refused to do nude scenes - and no mention is made of the relationship's interracial nature.

Houston is adamant about her refusal to do made scenes "Despite the fact that everyone would love to see me with my drawers down, it ain't happening" — but she becomes uncertain when asked about the film's potentially pioneering casting. Suggest that as a black woman, her on-screen romance with one of Hollywood's most bankable leading men may be far more newsworthy, and Houston says, "That's what they say. But I didn't think

"Through all the madness and the hype and the peaks and the cool-downs, I've maintained my basic values," she says. Such as? "Getting married and having children. That's old stuff, but it's important to me. "Because how famous can you be? I've had seven consecutive Nn. 1 songs. What do I want? Eight? Because having all those s, having money and all that didn't make me happy. And nobody understands that."

LANGUAGE

Breaking Out of the Interregnum

By William Safire

WASHINGTON — Out with the old! In with the new! That's the message we're getting from the American language about the presidential succession.
What was the old word used to denote that awkward 11-week period between Election Day and Inauguration Day — when the person serving as president is

Interregnum was the grand old word. It signified the interval between the reigns of kings when a country had no sovereign. It's true that interregram didn' quite fit American government: we don't have a king. or in Latin, rex, and the old president does not leave office until a few minutes before the new one takes the inaugural oath. But most people were aware that, in the American context, it meant "the period between

Forget it. The new word is transition. Not strictly new - Clark Clifford was said to have been in charge of the transition between the Hisenhower and Kennedy administrations - but never before given such

dy administrations — but never before given such official status. I'm not fighting the change; rooted in the Latin for "going over," transition is perfectly respectable, but someone should put in a moment's silent respect for interregram, which after the Carter defeat was briefly known as the "interregramm."

That's not the only noticeable linguistic change in Washington. Back in the Kennedy years, we had a foe: "Let the word go forth," the young president said at his inaugural, "to friend and foe alike." Those were the days when it was O. K. to acknowledge an enemy, indeed, Lyndon Johnson minced no words about the characterization of those ranged against the free characterization of those ranged against the free world. Nixon speechwriters, eschewing confrontation, preferred the word adversary, except when North Vietnamese intransigence caused the president to write in the harsh word enemy.

In his first formal statement as president-elect, Bill Clinton evoked the memory of John F. Kennedy and brought back the indeterminate foe: "I urge America's friends and foes alike to recognize, as I do, that America has only one president at a time." Covering all bases, as he seems eager to do, Governor Clinton followed up with the softer word: "The greatest mistake any adversary could make would be to doubt America's resolve during this period of transition." (No interregation.)

Now to the most striking vocabulary change of all. Remember the cocoon, that protective coating of Secret Service agents, gramite-faced White House police, surrounding sycophants, chanffeurs who never stop for red lights and the aura of unapproachable power that separates the Man from the people who chose

Forget cocoon, unless you're collecting butterflies. The sometimes invisible but always palpable barrier is now called the bubble. "Will we see you in the streets of Washington a lot jogging?" a reporter asked the president-elect at his first post-election news conference, adding: "Are you frustrated by the bubble?" Clinton was not puzzled at the usage; he knew only too well what the bubble meant, and said he hoped to "maintain some greater level of ongoing personal contact with folks than is typically the case."

A few days before, Adam Nagourney in USA Today cited an earlier use of the word by the president-elect. "As long ago as August, Clinton was complaining about the barriers between a president and the public

he called it 'the bubble' And he has frequently

talked with friends about how to burst out of that Ross Perot was fond of the metaphor, too, applying it to President Bush frequently. "Everybody out there except the White House knows the recession is here." he told the lively Larry King in late October, "and if you lived in that insulated bubble they've created for he president, you wouldn't know it either."

The transition from cocoon to bubble was noted in the Los Angeles Times by Kenneth Turan, its film critic, who described an air of unreality hanging over the Bush campaign due "in considerable part to the bubble-like, caviably efficient security cocoon the president must travel in to ensure his physical safety."

I suspect, though I have no citation handy to prove that the recent use of bubble in this sense was rooted in the name for the transparent shield used to protect presidents riding in open cars; it was widely noted, for example, that President Kennedy had scorned the available plastic bubble before his fatal motorcade in Dallas in 1963.

Danas m 1903.

The military picked up the figure of speech. "The trick is to spot the Backfires [bombers] before they get within missile shooting range," a naval officer was quoted as aging in Business Week in 1982, "and force them to come within a carrier fleet's protective "hubble."

It has also been used in a slightly different sense by students of Edward Hall's students in proxemics, more generally called "personal space." This is defined as "the zone around an individual into which other persons may not trespass." This self-imposed zone, Charles J. Holahan writes in "Environmental Psychology," "has been compared to a bubble surrounding the individual, creating an invisible boundary between the person and potential intruders." The person blowing the bubble of personal space around himself can vary its scope, depending on his hermithood or the relationship he has with different friends and family.

The most profound definition of its current political The most profound definition of its current pointed sense was offered by a Washington Post reporter. David Maraniss, on the last day of the 1992 campaign. "The bubble is what surrounds the traveling road show of any presidential campaign," he wrote. "It includes the candidate, the staff, the press, the plane, the bus and all the electronic gear of the 20th-century leastle.

Yet it is not so much a tangible phenomenon as a metaphysical one, a way of looking at things, at once cynical and cosy . . . where you find both the real story and yet an utterly false one, a speed-blurred

richire of a very large country."

The words, they are a-changin', and the interregnum isn't even over yet. (I know it's a transition, but the old ways die hard.)

New York Times Service

INTERNATIONAL CLASSIFTED Appears on Page 24

C New York Times, edited by Engene Maleska

WEATHER

Forecast for Tuesday through Thursday



Character

and is killed while driving it; his family subsequently sues the parking-lot owner for failing to take steps to prevent such thefts.

pares disrespect toward bicyclists to "cross burning, swastika paint-ing, gay bashing" and other "hate s motivated by the status of The University of Missouri

School of Journalism issues a hand-

book of words and phrases that should be sidestepped "to avoid offending and perpetuating stereo-

nnt my fault."

claimed not only by members of minority groups but increasingly by the middle class, millionaire art-

BOOKS ists, students at Ivy League col-leges, 'adult children,' the obese, codependents, victims of 'lookism' (bias against the unattractive), 'toxic parents' and the

otherwise psychically scarred." As Sykes sees it "victimism can be seen as a generalized cultural impulse to deny personal responsibility and to obsess on the griev-ances of the insatiable self." It stems in part, he suggests

from Americans' unwillingness to acknowledge the limitations and disappointments inherent in the ized by a plaintive refrain: "I am a human condition — their tendency victim." "I am not responsible; it's to see "the immemorial questions

expectation — for psychological

a goal to be won but as an entitle-ment." In the 1960s, as young peo-

overty, Sykes contends that the civil rights movement later underwent a decisive — and, in his opinion, damaging - change when it shifted its emphasis "from seeking equality under the law to a focus on the vague and volatile concept of rac-

ACROSS 5 Tomboucto country 9 "Olympia" artist 14 Abundant 16 Acid type

17 Kubrick fün

26 Equipment for a TV crewman 30 Harbinger 31 Give a great 32 Mine output 33 Dinamore or 34 Vanished 35 Part of some

36 Rusty Staub's 36 Track strip

41 Blazers or 43 Actress 44 Bullets and 45 Opera singer

40 Activist

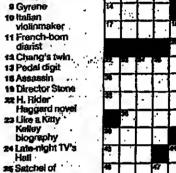
46 Dagwood's wife ## Rowboat

#1 South African

Naturalist **62** Units of force 63 Utah ski resor

a Flying sauce

≰ Whined s Keep away fro



25 Satchel of 26 Landed estate 27 University in Hamilton, N.Y.

CROSSWORD

7 Moola in Milano

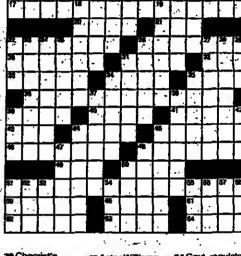
8 Kind: sort

28 Short melody 29 Shea Stadiur 31 Cowboy exhibitio

34 Dwerf







55 Child's game 51 Unusual 56 Everything 57 Peg for Faldo

A NATION OF VICTIMS: The Decay of the American

By Charles J. Sykes. 289 pages. \$22.95. St. Martin's Press. Reviewed by Michiko Kakutani

MASSACHUSETTS man A steals a car from a parking lot A bicyclist in the Midwest com-

burly" ("too often associated with large black men, implying igno-rance"), "white" (a product of the "racist power structure") and "community" ("implies a mono-lithic culture in which people act. think and vote in the same way"). Such examples, Charles J. Sykes

Victims," are illustrations of a growing phennmenon character-This "victim-ization of Ameri-ca," Sykes writes, "is remarkably egalitarian, victim status is now

of buman life as problems that re-As a result, he suggests, Americans have enshrined "the infinite ple began embracing an adversarial stance toward authority, Sykes says, dissatisfaction became a permanent fixture in American life.

Although he praises the Reverend Dr. Martin Luther King Jr. for stressing self-reliance as a remedy to

"Victimist" explanations were offered up to explain black crime and black drug addiction; "victimist" arguments were advanced to

How does Sykes propose to rem- of The New York Times.

edy the cult of victimization in the United States. He calls for a new code of personal conduct, emphahopes that the "disrepute associat-ed with dependency, illegitimacy and family breakup" will be reinsti-

tuted in minority communities. He wants to "sharply limit the definitions of victimization in the law itself - civil rights legislation and protections of the handicapped included." And he wants Americans to re-embrace the family as "the crucible of character."

As flippantly delineated by Sykes, such proposals are simplistic in the extreme, as simplistic, unfortunately, as much of "A Nation of

Michiko Kakutani is on the staff

By Alan Truscott DISGUISES are appropriate for Halloween trick-or-treaters, for Sheriock Holmes, and, occasionally, for bridge players. With a weak offense, the best defense is sometimes a good disguise.

If the declarer makes his plan of play obvious, he will give the opposition a road map for the defense. Disguise may be called for, and was on the diagramed deal.

South overbid slightly by leaping to four spades when his opening bid was raised. Most good players would invite by bidding three clubs, and then accept a sign-off by North in three spades.

West led the heart queen and South won with the ace. He was faced with a danger of losing three

diamond winners and throw clubs. Then a club lead would prepare the ground for two club ruffs, but it would pinpoint the defense. Two rounds of trumps would be played, and South would be struggling. He could still hope for an even club spilt, but would fail in his game.

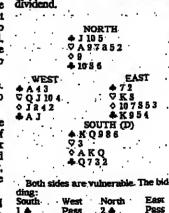
BRIDGE

South ventured a little disguise At the second trick he led a club to the queen, losing to the ace. West could now have settled the issue by playing two rounds of trumps, or by leading the club jack so his partner could overtake and

give him a ruff. Not surprisingly, however, he led a low heart in the hope that his partner would ruff. But it was South who ruffed, and then cashed diamond winners to discard dummy's remaining clubs.

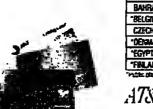
Then he could maneuver two club

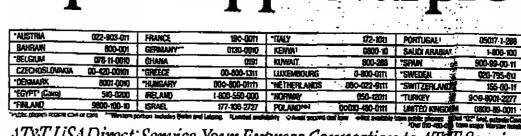
his obvious move was to take three ruffs and make his game. Disenising his intentions had paid a large





Speed up the approval process.





Just dial the access number of the country you're in. For additional access numbers, call collect: 412 \$37-458, Ext. 606.

